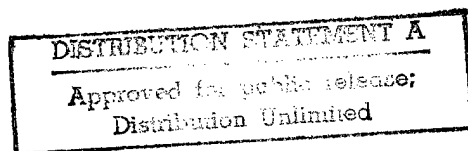


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# East Europe Report



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## EAST EUROPE REPORT

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## NEW SYSTEMS MODEL OF AGRICULTURE DESIGNED TO AID PLANNERS

Warsaw ZAGADNIENIA EKONOMIKI ROLNEJ in Polish No 6, Nov - Dec 1985 pp 3 - 24

[Article by Lech Krus, Bozena Lopuch (Systems Research Institute of the Polish Academy of Sciences), and Jan Rajtar (Institute of Rural and Agricultural Development of the Polish Academy of Sciences): "A Model of Polish Agriculture -- Premises, Structure, Applications"]

### 1. Premises

[Text] The Model of Polish Agriculture (in short, MRP) has been conceived as an instrument facilitating the generation and evaluation of internal cohesion in economic plans and forecasting the consequences of central regulatory decisions, directly or indirectly concerning agriculture. (Footnote 1) (The Model of Polish Agriculture was developed between 1979 and 1984 through a joint effort of scientists from the Systems Research Institute of the PAN [Polish Academy of Sciences], Institute of Agricultural Economics and the Food Economy and Institute of Rural and Agricultural Development of the PAN headed by Professor A. Wos, in close cooperation with the International Institute for Applied Systems Analysis in Laxenburg (Austria). The group of authors enjoyed the support of the Planning Commission of the Council of Ministers in their work. The Planning Commission also was the first to apply the model for the needs of economic planning). The assumption has been, that despite the increasing decentralization of management and growing role of market mechanisms in governing the operation of farms, the significance of central economic policy in shaping the economic environment (prices, loans, taxes) and technical conditions for agricultural production (material supply and investment, propagating technological innovations, distribution of products) will continue to be extensive and far-reaching. Therefore, it is important that policy be carried out in a national fashion, that is to say, that it be based on correctly prepared plans of actions and appropriately selected regulatory devices. Such rationality can be achieved if the objectives and means can be adequately matched (balanced), consequences of given regulatory decisions anticipated, and objectives and means adjusted in a timely fashion for changes, both external and internal, in the operating environment of agriculture. The proposed model can significantly streamline both planning and regulatory procedures, among other things, simplifying them, speeding them up and increasing their accuracy. The model makes it possible to develop quickly many comprehensive scenarios of the development of agriculture with varying objectives or technical-economic premises. It makes it possible to determine the level and breakdown of consumption and production of agricultural products and the optimal combination of production technologies

and groups (sectoral breakdown of production) under given technical and economic conditions or given assumptions. The model is not exclusively supply-driven, though production and processing of agricultural products described by a very extensive system of input-output ratios is its backbone. After all, the model can also be useful when the development of the plan proceeds from the needs of consumption or other objectives, e.g. attaining self-sufficiency, rather than the production potential of agriculture. The model takes into account simultaneously the requirements of consumers and producers of agricultural goods and the opportunities to meet them in a given economic situation of the country. This property results from the relatively broad scope of modelling the processes of creating and distributing agricultural products. Agriculture is perceived as an integral part of the entire economic system. On the one side, material links of agriculture with the receivers of agricultural products (consumers, various sectors of processing industry, exports), and on the other - with suppliers of the means of production (various branches of industry and construction, transportation, agricultural services, imports) are taken into account in the system modelled. Basic information links of agriculture (price, finance and administrative) with the regulatory sphere, as well as the impact of the demographic and employment situation in the country on agricultural production are also taken into account. Basic political and economic premises, concerning consumption levels of agricultural products, incomes of rural population and foreign trade balance are reflected in the model through a multiobjective efficiency function and requisite limits. Minimal socially acceptable intake of energy and animal protein, the admissible spread of income ratios for agricultural and non-agricultural population, and the desirable balance of foreign trade in agricultural products are introduced. In its turn, meeting these requirements constitutes the criterion for selecting by the model the breakdown of agricultural production, technology of production, demand of agriculture for technical means, and other factors of production, the system of agricultural prices etc.

The model is static in nature. It is based on technical and economic coefficients of the year 1978. The data are updated as the needs of simulation warrant, strictly in conjunction with the premises included in simulated scenarios under consideration, by introducing the necessary corrections mainly on the basis of exogenous information. The extent of changes made at one stage is usually small. The changes involve primarily the objectives, means of operation (technical and balance limitations) and economic parameters (especially prices), and rarely the technological and structural coefficients. Taking into account the considerable stability of the latter, especially in the present economic environment in our country, and certain opportunities for their spontaneous updating in the case of agricultural production through combining available production technologies, it may be expected that the model will be useful not only in medium-range but also in long-range planning. It follows from experience to date that the model can be useful for various planning and regulatory institutions of the central level within the so-called decision-making center, especially for the Ministry of Agriculture and the Food Economy and the Planning Commission of the Council of Ministers. Utilization of the model by these institutions can occur either through using expert evaluations (assessments and suggestions) based on the solutions of the model, and prepared by the modelling team, or through the independent use of the model. At present, only the first approach is taken. It is expected that in the future the second approach will also be applied, mainly in the work of the Planning Commission.



## 2. Structure of the Model

The model of Polish agriculture is multisegmental. It consists of the adequately interacting econometric or optimization models, or more precisely, submodels of:

- agricultural production,
- external links,
- consumption,
- agricultural prices,
- foreign trade,
- population and employment

and ordering elements:

- global efficiency function,
- scenario block.

Programs of the model are its separate element. Construction of the model is outlined in chart 1. Basic properties and functions of individual segments of the model will be discussed below.

The production model of agriculture (MRP) is an optimization model. It consists of four sectoral submodels describing the following groups of producers: growing private farms, traditional and part-time farms, and socialized farms. A definite number of production activities in crop farming and animal husbandry described by vectors of technical coefficients of material, labor, land and fixed assets intensiveness occur in each submodel. Based on the accepted constraints and technological, technical/balance and economic conditions, both specific for individual sectors and common for all sectors, as well as partial and global objectives (tasks), the MRP uses linear programming to determine the optimal level of agricultural income and costs of production, optimal extent of production activities and combination of production technologies, optimal demand for the means of production (materials, services and investment funds), labor and land and sectoral breakdown of production and factors of production.

The model of external links (MPZ) is a balance model. It consists of transformation blocks and distribution nodes. Productive operations of individual branches of the foodstuffs industry, agricultural services and remaining branches of production in the national economy are expressed in the form of blocks. These operations are described by vectors of conversion coefficients and coefficients of labor and material intensiveness. Through material flows, including means of production or consumption, individual blocks are connected with the models of agricultural production, consumption and trade, and among themselves. Distribution nodes reflect the mode (structure) of allocating the final product of agriculture and individual branches of production among direct consumers. They are described by distribution coefficients or equations. The MPZ transforms consumption and export targets into production targets for agriculture on the one hand, while on the other, it transforms the demand of agriculture for the means of production into production targets for manufacturing branches supplying it or vice versa, the supply potential of manufacturing branches into supply constraints for agriculture, and results of agricultural production achieved

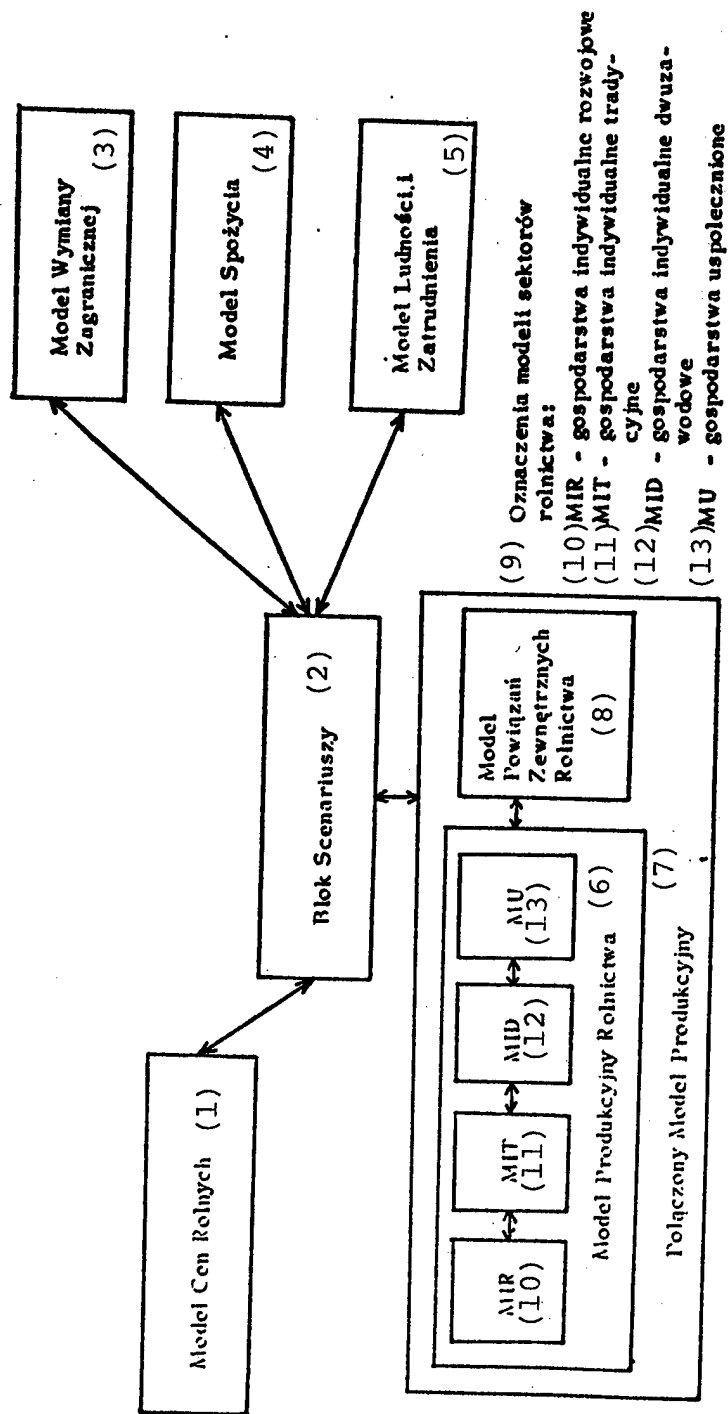


Chart 1. Structure of the Model of Polish Agriculture

Key:

1. Model of agricultural prices
2. Scenario block
3. Model of foreign trade
4. Model of consumption
5. Model of population and employment
6. Production model of agriculture
7. Unified production model

8. Model of external links of agriculture
9. Designations of models of agricultural sectors
10. MIR - developing private farms
11. MIT - traditional private farms
12. MID - part-time private farms
13. MU - socialized farms

under given constraints into consumption and export potential. Through its balancing function, the MPZ reconciles the targets and means of action on a scale of the entire modelled system.

The model of consumption (MS) is an econometric model. It serves to arrive at consumption of agricultural products broken down by basic groups as desired or expected by the populace. Real income and retail prices of foodstuffs were adopted as the main interpretative variables. Coefficients of price and income elasticity of consumption were estimated through simple demand functions (single equations) on the basis of time series, cross-sections (from family budgets), and a combination of the two. Estimates of consumption defined by demand equations constitute reference points for consumption sought as a solution to the global objective.

The model of agricultural prices (MCR) is an optimization model. It consists of equations and inequalities describing, in a linear fashion, basic relations between prices of products and means of production, and objectives and constraints, both global and partial. It allows us to construct an arrangement of agricultural prices which, due to generating requisite income, ensures the compliance of production tasks implemented in individual sectors of agriculture with the expectations of the decision-making center. At the same time, it accommodates to a great degree existing price ratios and basic technical ratios of substitution and conversion. Price information provided by the MCR makes it possible to evaluate the adequacy of the actual system of agricultural prices and its usefulness in meeting the objectives set for the system modelled. Therefore, this information can be the basis for adjusting the prices of agricultural products and means of production acquired by agriculture.

The foreign trade model (MWZ) is an optimization model. On the basis of information on world market prices, the MWZ designates the levels of imports and exports of agricultural products in order to meet as much as possible the requirements concerning the balance of trade and consumption. Through successive iterations, a Jacobi matrix of dependence of national imports on world market prices is produced. This matrix is a measure of sensitivity of import demand to changes in world market prices. The MWZ has been built in a way meeting the requirements of cooperation with the FAP system of models. (Footnote 2) (A system of models developed by the Food and Agriculture Program, International Institute for Applied Systems Analysis, Laxenburg, Austria).

The model of population and employment (ML) is a two-segment econometric model. The first describes basic demographic processes: population and employment in the years 1970 through 1990 in the country as a whole and in agriculture, as well as in individual sectors thereof, whereas the second - intersectoral flows of agricultural population, labor force and land in the 15 years between 1978 and 1993. Information resulting from these submodels is used to formulate demographic premises entering into the simulated scenarios under consideration. (Footnote 3) (J. B. Krawczyk, K. Latuch, A. Rosner: "Changes in Population and Labor Resources Resulting from Intersectoral Flows of Land in a Simulated Model of Polish Agriculture", ZAGADNIENIA EKONOMIKI ROLNEJ, 1982, Nos 4/5)

The global objective function (GFC) expresses preferences of the decision-making center in selecting a definite solution from among those admissible,

specified in the form of a vector of criteria and weights. The set of criteria can be different depending on the problem solved. However, the following criteria are recognized to be basic and as such must be taken into account in the GFC: consumption by the populace (vector of consumption of basic foodstuffs), balance of foreign trade in agricultural products (competitive), and level of agricultural income. In their turn, weights reflect the significance attached by the center to individual criteria or, in other words, expresses the urgency of meeting these criteria. The higher the weight assigned to a given criterion, the higher the degree of meeting it as compared to other criteria. Due to the multiobjective nature of the GFC, the approach of so-called shifting reference points proposed by A. P. Wierzbicki is used in solving the optimization problem. (Footnote 4) (Wierzbicki A. (1979): A Methodological Guide to Multiobjective Optimisation WP-79-122, International Institute for Applied Systems Analysis, Laxenburg, Austria). This approach is based on solving a set of single-objective optimization tasks for modified reference points of objectives defined in space. Maximum criteria values compared to their reference values are sought. In the case in question, desirable values of the following are reference values: consumption of individual foodstuffs, balance of foreign trade in agricultural products and agricultural income (established on the basis of planning assumptions or demand equations). Single-objective problems are obtained from the multiobjective one through the use of scale function dependent on the above reference point and on weights assigned to individual criteria. As a solution to the problem thus formulated, a Pareto optimum is obtained, i.e. the best solution with regard to a given reference point. Modification of reference points and weights in the scale function makes it possible to select a solution complying with the preferences of the center.

The block of simulated scenarios (BSS) is a collection of basic premises for the plan versions or regulatory decisions under consideration. Specifically, these are premises involving:

- a) most significant macroeconomic indicators, such as national income and its distribution between consumption and investment, balance of foreign trade in its entirety, population and employment;
- b) economic and production objectives of agriculture, such as the necessary supply of agricultural products (a derivative of necessary consumption), the level of income ratio and the degree of self-sufficiency;
- c) economic conditions for agricultural consumption and production, such as the level of retail prices and procurement prices for agricultural products, as well as the prices of the means of production, taxes, the scope of agricultural loans;
- d) technical conditions for agricultural production, such as supply of basic means of production (imported fodder, fertilizer, pesticides, energy, tractors), agricultural labor force, expected results of technological advancement;
- e) sectoral allocation of the factors of production (especially land and means of production in short supply).

These data are generally introduced to the BSS from the outside on the basis of either draft socio-economic plans and government resolutions or views of

experts and R&D facilities. The extent of information taken into account in individual scenarios is adjusted to the problem solved.

The program package of the model includes:

- generating sectoral models of agricultural production and a model of links, combining these models and formulating the optimization problem, reporting on the results;
- generating the price problem and reporting on its results;
- solving the foreign trade problem;
- forecasting population and labor resources.

Generated linear programming problems are solved by applying standard packages for mathematical programming tasks, FMPS (UNIVAC computer) and MINOS (VAX computer).

In addition, auxiliary programs were developed operating on MPS sets (standard sets used by mathematical programming packages) for purposes of scaling, diagnostics and modifying the matrix of coefficients.

### 3. Use of the Model

#### 3.1. Combining Partial Models

The model was developed in stages, by aggregating an increasing number of submodels (i.e. partial models) prepared by different teams. Nor can its present version be considered definitive, because further submodels can be added to it. Thus, the model can be used as a sum of a certain number of elements selected to meet the requirement posed, among other things, by the extent and complexity of tasks solved.

Partial models, such as the production model of agriculture, model of population and employment, model of consumption, describe certain segments of the modelled system as relatively separate entities operating under different constraints and towards different objectives. These models and various combinations thereof can also be useful to the decision-making center, making it possible to solve specific problems involving less complicated, narrower areas and lower levels of management.

Typically, using the model requires that:

- the model of consumption be calculated,
- the model of population and employment be calculated,
- the unified production model be formed, optimization problem be formulated and solved,
- an optimization task be formulated for the model of agricultural prices and solved.

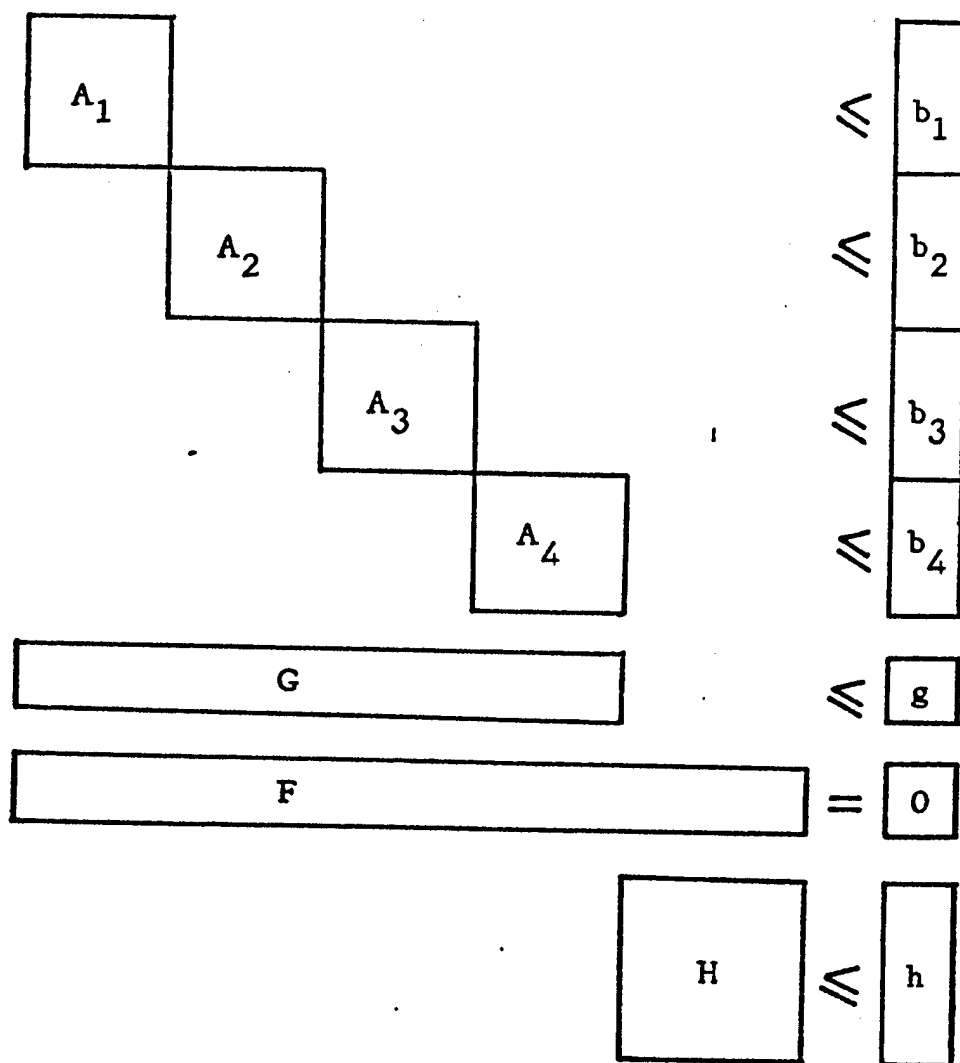


Chart 2. Matrix Structure of the Unified Production Model.

In this case, the unified production model is the main model. The set of admissible solutions for this model is described by a set of inequalities with a structure presented in chart 2. Technological matrixes of the model of agricultural production in the  $i$  sector are designated  $A_i (i = 1, 2, 3, 4)$ , whereas respective right-side vectors -  $b_i$ . A matrix of coefficients of the model of links is designated  $H$  and, respectively, the right-side vector  $h$ . A group of equations describing cooperation links among the sectors of agriculture is designed  $G$ , whereas equations connecting agriculture to the rest of the economy -  $F$  (the latter embrace the balances of commercial product and outlays from outside agriculture).

### 3.2. Global Optimization Task

The global optimization task (GZO) consists of establishing by the model the amount and breakdowns (branch, sectoral and technical) of agricultural product, outlays of production factors and prices of products, and means of production which ensure the best possible satisfaction of the consumption needs of the populace, balance of foreign trade in agricultural products and level of income of agricultural population, satisfying at the same time all basic technical, balance, technological, structural, reproductive and economic constraints on production, investment in agriculture and consumption.

This problem is solved in two stages. First, the following optimization problem is formulated

$$\max w (C - \bar{C}, SF - \bar{SF}, DR - \bar{DR})$$

with the additional condition

$$S \geq S_{\min}$$

and satisfying the limits

$$\begin{vmatrix} X_p \in \Omega_p \\ X_c \in \Omega_c \\ X_j \in \Omega_j \end{vmatrix}$$

where

$w$  - scalar function reducing the multiobjective problem to single objective;

$\bar{C}$ ,  $\bar{SF}$ ,  $\bar{DR}$  - desirable (or expected) values of consumption of agricultural products, balance of foreign trade in competitive agricultural products and agricultural income; they constitute reference points for the values sought and achievable under the conditions given, designated as  $C$ ,  $SF$  and  $DR$ ;

$S$  - balance of foreign trade of the entire national economy;

$S_{\min}$  - minimal balance of foreign trade of the entire national economy,

$X_p$ ,  $X_c$ ,  $X_j$  - vectors of variables describing production, investment activities and consumption.

$\Omega_p, \Omega_c, \Omega_j$  - sets of technical and balance, technological, economic and structural constraints on the above-mentioned variable, defined by technological matrixes  $A_1, A_2, A_3, A_4$ , constraints  $G$ , matrix  $H$  and simple constraints applicable directly to the variables of the model (chart 2).

The scalar function assumes the form

$$w(g) = \min \left\{ \frac{1}{a_i g_i} \right\} (g_i - \bar{g}_i)$$

where

$\bar{g}_i$  and  $g_i$  - desirable and achievable values of the criteria,

$a_i$  - weight coefficients.

Preferences as to the desirable values of criteria and weights are usually expressed by the center or the populace in the form of certain requests rather than in a numerical fashion. A scale of weights of 0.1. to 1.0 has been adopted for the calculations of the model. It has been assumed that the strongest preference is for the criteria concerning income, the balance of foreign trade, and consumption of products meeting the most basic needs of the populace.

The desirable value of agricultural income was expressed by the following formula:

$$\bar{DR} = ip \cdot \frac{FC}{POP} \cdot ZR \cdot k$$

where

$ip$  - income ratio resulting from the premises of the plan,

$FC$  - national consumption fund,

$POP$  - number of the inhabitants of the country,

$ZR$  - agricultural labor force,

$k$  - coefficient of the number of persons supported by agricultural income per one working person.

The desirable balance of foreign trade in competitive agricultural products was accepted in compliance with the assumptions of the plan.

Premises concerning the desirable values of consumption, i.e. vector  $\bar{C}$ , may be established on the basis of various consumption patterns. It is impossible to give an unambiguous answer to the question of which of the patterns is the most appropriate. Requirements of scientists, politicians, and consumers in this regard differ. Various methodological approaches lead to different



results. The amounts of desirable consumption can be based, for example, on the nutritional norms prepared by physiologists, on consumption patterns exhibited by consumers in above-average income brackets or in the most developed countries, on assumed consumption as provided for in central plans and programs of socio-economic development, on results of surveys etc. Consumption patterns established in this fashion are presented in table 4.

Their static character, i.e. lack of changes over longer periods of time, is the basic drawback of such patterns. Implementing the most desirable pattern would usually require a fundamental restructuring of the current consumption pattern, which is impossible in the short and medium term for a variety of reasons.

In the model in question, nutritional norms were used to define the necessary intake of energy and protein. The pattern of consumption exhibited by the lowest income bracket groups was used to establish the minimal consumption level. On the other hand, a demand function was used to establish the desirable level of consumption of individual products. This approach may be questionable. Existence of a market equilibrium, not only for agricultural products but also for other products and services, is a condition for correct estimation of the demand function. Meanwhile, this condition has rarely been met in Poland, to say nothing of the present situation. However, it could be accepted that market disequilibrium and deformations of consumption patterns are a permanent element of economic reality, because market disequilibrium in our country is structural in nature, being to a degree an inherent feature of the system of management. Under such circumstances, studies of demand in the past can be useful in predicting consumer needs in the future. Commonplace use of the results of studies of the demand function in planning practice is yet another consideration in favor of that. It should also be noted that market disequilibrium has not and does not affect all agricultural products. Primarily, it affects meat and meat products. Therefore, not all of the estimators of the demand function parameters are necessarily distorted. This kind of approach complies with the requirements and information potential of the model. Desirable levels of per capita consumption ( $\bar{Q}_i$ ) for a given year can be defined automatically if data on changes in real incomes, prices and population are available. At the same time, it should be recalled that values of optimal consumption ( $Q_i$ ) do not hinge exclusively on  $Q_i$  values, because the former are obtained as a solution to the optimization problem.

The value of desirable consumption of foodstuffs is described by the following equations

$$\bar{Q}_{i,t} = Q_{i,0} \cdot IFC_t \cdot e_i^{rC} \cdot IPR_{i,t} \cdot e_i^{PC} \cdot (1 + TRD)^t$$

$$\bar{C}_i = \bar{Q}_i \cdot POP$$

where

$\bar{Q}_{i,t}$  - desirable value of per capita consumption of  $i$  product in  $t$  year,

$Q_{i,0}$  - value of per capita consumption of  $i$  product in the base year,

$IFC_t$  - index of per capita real income in  $t$  year,

$IPR_{i,t}$  - index of real prices of  $i$  product in  $t$  year,

$e_i^{FC}$  - coefficient of income elasticity of  $i$  product,

$e_i^{PC}$  - coefficient of price elasticity of  $i$  product,

POP - population of the country,

$\bar{C}_i$  - desirable value of consumption of  $i$  product,

TRD - rate of changes in consumption over time.

In the second stage, prices of agricultural products and agricultural production means are determined. These prices are set at such a level that solutions of sectoral models under their own income criteria are compatible with the solutions of the unified production model.

The following optimization problem is solved in order to determine prices (and, possibly, quotas):

Determine vector  $c, \lambda_i, u_i$  so as to minimize

$$\sum_{i \in I_c} \frac{w_1}{\bar{c}^i} |c^i - \bar{c}^i| + \sum_{i=1}^4 \sum_{j \in J_u} w_2 u_i^j$$

with conditions for agricultural sectors being

$$c + A_i^T \lambda_i - u_i = 0 \quad i = 1, 2, 3, 4$$

where

$| \cdot |$  - absolute value,

$c_i$  - price vector sought,

$\bar{C}_i$  - assigned vector of reference prices,

$\hat{A}_i^T$  - transposition of the matrix created from active lines in the optimal solution at the first stage, linked only with the sectoral constraints of agriculture,

$\lambda_i$  - vector of Lagrange multipliers in the  $i$  sector,

$u_i$  - vector of Lagrange multipliers associated with the introduction of quotas in the  $i$  sector,

$w_1, w_2$  - weight coefficients,

$I_c, J_u$  - respectively created sets of indexes for prices and quotas.

Apart from the set of identity conditions, additional conditions are introduced taking into account admissible price, income and other ranges.

### 3.3. Possibilities for Practical Use of the Model

The model makes it possible to trace the consequences of the center adopting various assumptions as to:

- a) the level of national income and its distribution into consumption and accumulation;
- b) the extent of preferences for certain consumption needs of the populace;
- c) the mode of meeting consumption needs (the breakdown and sources of supply of consumption means);
- d) proportions of distribution of the final product of other production branches (with emphasis on the claim of agriculture on this product as a purchaser of the means of production);
- e) breakdown and balance of foreign trade in agricultural products, including processed foodstuffs;
- f) the value of the ratio of incomes of the agricultural and non-agricultural population;
- g) the demand of non-agricultural sectors for labor (in other words, the nature of preferred production technologies in industry and other sectors).

The sought for consequences of proceeding from different premises involve:

- a) the level and breakdown of agricultural product;
- b) the level of agricultural income;
- c) the amount and breakdown of the supply of the means of production to agriculture;
- d) agricultural labor force;
- e) the level and breakdown of consumption;
- f) the balance of foreign trade;
- g) the degree of equilibrium between the demand for agricultural products and means of production and their supply.

General economic situation in the nation in the year simulated is the point of departure for simulation calculations. Most of the information on this situation is based on the assumptions of the socio-economic plans.

The level of desirable foodstuffs consumption is determined by using information on the income of the populace, number of inhabitants of the country and level of foodstuffs prices. In its turn, the desirable level of agricultural income is established given the income ratio postulated by the center. The desirable consumption level of the populace and agricultural

income as well as the balance of foreign trade required by the center provide reference points for the criteria optimized by the global optimization task.

The values of constraints in the model are determined as follows:

- The value of production of non-agricultural sectors in the national economy is established on the basis of data on the structure of generated national income. This, in its turn, makes it possible to determine the national supply of production means for agriculture. The supply of the basic means of production, such as fertilizer, imported fodder, tractors, fuels, may be established on the basis of forecasts developed by various R&D facilities.

- Consumption minima are established on the basis of nutritional norms or family budgets.

- Calculations of the model of population and employment are performed, determining the future supply of labor in individual agricultural sectors, as well as the sectoral breakdown of land use.

- The levels of national and world market agricultural prices are assumed on the basis of projections by various centers in our country and abroad.

By solving the global optimization problem for the combined MPR and MPZ models, the amount and branch and sectoral breakdowns are determined, as well as agricultural income, demand for the means of production (materials, services, investment goods), the vector of foreign trade in agricultural products and foodstuffs and the vector of consumption. The solution provides the basis for determining agricultural prices (through the use of the MCR), which ensure that the solution to the optimization problem is implemented.

The above procedure is used for every scenario postulated.

#### 4. Examples of Scenarios and Results of Calculations

Thus far, the model of Polish agriculture has been used for simulation studies based on two kinds of scenarios:

- 1) those evaluating the cohesion and reliability of the model (verification scenarios),

- 2) those verifying the preliminary premises of the Central Economic Plan for 1985 involving the food economy (planning scenarios).

Scenarios of the first kind were formulated on the basis of data on actual constraints and prices in the base year, i.e. 1978. They differed in the values of optimization criteria (the so-called reference points) and weights assigned to certain criteria (e. g. meat consumption, income ratio). Preparation of the scenarios was preceded by detailed verification of individual component models (by test calculations), which were treated as independent elements. This made it possible to ascertain the correctness of these models.

On the other hand, scenarios of the second kind were established on the basis of data on constraints and prices planned or expected for the year 1985. They

Table 1. Criteria for the Global Objective Function

Rubric		I Actual I 1978 I data I I	I Verifica- I tion sce- I nario for I 1978 I I	I Central I plan I for I 1985 I I	I Reference I points I for the I 1985 sce- I nario I	I Planning I scenario I for 1985 I
Annual per capita consumption of agricultural products:						
Energy content	Mcal	1235	1215	1280	1150	1180
Protein	kg	35	35	34	32	34
Grains	kg	122	120	134	123	123
Potatoes	kg	166	163	160	165	165
Sugar	kg	42.8	42.0	41.5	40.3	40.3
Vegetables and fruit	kg	145	142.5	160	138	148
Fats, total	kg	20.6	20.4	19.2	19.3	21.1
Butter	kg	6.2	6.3	5.8	5.4	5.5
Meat, total	kg	68.2	69.7	53.6	54.7	63.5
Beef	kg	18.0	19.7	.	14.5	14.5
Pork	kg	39.2	39.1	.	31.4	38.3
Milk	l	265	261	268	273	273
Eggs	kg	12.2	12.0	11.8	10.0	10.0
Fish	kg	7.4	8.1	6.0	5.6	6.2
Alcoholic beverages	l	8.0	6.7	.	6.4	6.4
Condiments	kg	2.3	2.3	.	2.1	2.1
Tobacco	kg	2.6	2.6	.	2.5	2.0
Fiber	kg	5.9	5.9	.	5.6	5.6
Hides	kg	3.8	3.9	.	3.6	3.6
Non-agricultural products for consumption and investment						
109 zlotys <sub>78</sub>		1473	1446	.	1099	1099
Balance of foreign trade in substitutable agricultural products						
US\$ 106		-354	-361	-311	-311	-311
Agricultural income						
109 zlotys <sub>78</sub>		232	231	221	221	236

Table 2. Production Results of Agriculture

Rubric		I Actual I 1978 I data	I Verification I scenario I for 1978	I Central I plan I for 1985	I Planning I scenario I for 1985
Basic crops:					
Grains	103 tons	21,500	21,049	23,000	23,494
Potatoes	103 tons	37,300	38,061	35,300	40,194
Sugar beets	103 tons	15,706	14,497	16,000	16,448
Oleiferous	103 tons	1,100	1,201	1,100	1,121
Fruit and vegetables	103 tons	5,500	5,248	6,390	6,294
Basic animal products:					
Cattle for slaughter	103 tons	4,320	4,371	3,770	4,166
out of which					
Beef		1,430	1,552	1,200	1,245
Pork		2,263	2,258	2,050	2,334
Milk	106 liters	16,610	16,640	16,500	17,500
Eggs	103 tons	474	485	461	419
Gross final product	109 zlotys <sub>78</sub>	463	455	422	435
Net final product	109 zlotys <sub>78</sub>	366	353	347	366

differed in premises involving the sectoral breakdown of land use and expected price levels, as well as the value of certain optimization criteria.

We will discuss below the results of two simulation runs for two scenarios, a verification and a planning one, which were the best from the standpoint of their suitability for the tasks they carried out. These results are presented in tables 1, 2 and 3.

Table 1 shows the values of optimization criteria (objectives) calculated by the model and expected (i.e. actual or projected), i.e. consumption of agricultural products, balance of foreign trade in agricultural products and agricultural income; table 2 shows the value of agricultural product broken down by basic branches and table 3 - the value of material and investment outlays on agricultural production.

Due to their secondary significance, results concerning the breakdown of agricultural product by sector and production technology, allocation of the product of manufacturing and structure of foreign trade are omitted from the framework presented. Likewise, results of the solution of the agricultural prices model are omitted due to the difficulties of interpretation.

Table 3. Outlays of Production Factors

Rubric	I Actual I 1978 I data I	I Verification I scenario for I 1978 I	I Central I plan for I 1985 I	I Planning I scenario I for 1985 I
Total material outlays (10 <sup>9</sup> zlotys <sub>78</sub> )	208.4	206.7	188	184.1
Outlays of agricultural origin	97.2	101.9	75	68.9
Non-agricultural materials and services	86.1	78.8	78	86.2
Amortization	25.1	26.0	35	29.0
Basic material outlays:				
Commercial fodder (10 <sup>3</sup> tons)	9,085	9,696	4,600	4,110
Fertilizer (10 <sup>3</sup> tons)	3,586	3,393	3,890	3,889
Pesticides (10 <sup>6</sup> zlotys <sub>78</sub> )	4,281	4,418	5,850	4,812
Electricity (10 <sup>6</sup> KWh)	3,388	3,124	5,900	3,125
Solid fuel (10 <sup>3</sup> tons)	6,384	6,616	8,909	7,184
Liquid fuel (10 <sup>6</sup> liters)	1,061	908	980	934
Own draft (10 <sup>6</sup> tractor-hours)	800	784	920	871
Outside draft (10 <sup>6</sup> tractor-hours)	119	80	85	77
Total investment (10 <sup>9</sup> zlotys <sub>78</sub> )	81	64.3	62	60.9
into mechanization (10 <sup>9</sup> zlotys <sub>78</sub> )	30	22.2	.	33.3
into construction (10 <sup>9</sup> zlotys <sub>78</sub> )	51	42.1	.	27.6
Labor force (10 <sup>3</sup> persons)	4,200	3,610	4,200	3,744
Agricultural land area (10 <sup>3</sup> hectares)	19,100	18,020	18,800	18,751

The verification scenario was based on the following premises:

- 1) desirable levels of consumption of agricultural products, balance of foreign trade in agricultural products and foodstuffs and agricultural income are equal to the actual 1978 levels;
- 2) the weights of optimization criteria are identical and equal 1;
- 3) levels of technical and balance constraints and values of technological coefficients (input-output ratios, investment, agrotechnical, zootechnical and processing norms), distribution coefficients and regulatory parameters (prices, taxes) conform to their actual status in 1978.

Results obtained with these premises prove that the model was built correctly; it is internally cohesive and reflects the operation of the modelled economic system well. Discrepancies between actual and calculated values are relatively small: they do not exceed 2 percent for basic criteria (consumption, balance and agricultural income). For the harvest of basic crops and output of animal products, discrepancies do not exceed 7 percent, and for basic material outlays - 5 percent. It is apparent that while solving the optimization problem the model not only may, but in essence must, select values of variables different from the ones actually occurring. Postulated objectives of the food economy have been achieved, but with a somewhat different sectoral and technological breakdown of production.

The planning scenario was based on the following most significant premises:

- 1) National income produced in 1985 will be 15 percent smaller than in 1978, national income distributed - 22 percent smaller, and incomes of the populace - 1 percent smaller (per capita - 8.5 percent smaller).
- 2) Gross investment will be 45 percent smaller; the share of agriculture in investment will grow from 15 to 20 percent.
- 3) Population will grow by 7 percent.
- 4) Agricultural products consumed by the populace will become about 20 percent more expensive compared to the total of products and services (prices of the former will grow about 5.2 times, whereas of the latter - 4.3 times); it is assumed that the structure of retail prices as of February 1984 will hold (on this basis, price indices for individual groups of agricultural products were determined).
- 5) Demand reaction to price and real income changes will comply with the findings of the model of consumption (in other words, estimated parameters of the demand function will not change); according to premises 1 and 4, consumption of a majority of products will be smaller than in 1978.
- 6) Minimal consumption of agricultural products may not fall below the so-called adequate norm B (tables 1 and 4). Specifically, energy intake should be above 1,100 MCal per person per annum, total protein intake - above 32 kilograms and meat - 40 kilograms.
- 7) Negative balance of foreign trade in agricultural products will remain; its scope, however, may not exceed \$300 million (in the 1978 prices).



8) The ratio of income of persons employed in agriculture and outside agriculture (per capita) should approximate 1 (admissible range of fluctuation from 0.95 to 1.05): under premises 1 and 11, the real level of agricultural income per capita may be lower than in 1978, but not necessarily if the income ratio is improved compared to 1978, when it stood at 0.85.

9) Prices of agricultural products and means of production for agriculture will be the same as in the 1983/1984 economic year, or the former will be 3.6 times and the latter 3.2 times higher than in 1978 (actually, the growth is going to be greater, which is taken into account in another version of the planning scenario); financial encumbrances of agriculture (taxes and insurance) will also be 2 times higher.

10) The share of agriculture in the distribution of products of non-agricultural branches will increase marginally; however, total supply of goods and services for agricultural production will not exceed that in 1978 due to regress in many branches: in total, the supply of operational goods and services will be the same as in 1978 (including some positions higher, such as fertilizer and pesticides, and some lower, such as spare parts and materials for repairs), whereas supply of capital goods and services - markedly smaller (by about 30 percent). Import of fodder will decrease considerably (from about 7 to 3.5 million tons) and, as a result, so will the supply of concentrated mixes from the fodder industry (from 9.1 to 4.6 million tons). The supply of production services offered by agricultural service units will also be smaller.

11) Agricultural employment will ~~remain~~ at the 1978 level.

12) Area of agricultural land will decrease by 1.5 percent; the sectoral structure of land use will be the same as in 1983 (compared to 1978, this means a marginal decrease in the share of socialized and traditional sectors in favor of part-time and development sectors).

13) Technical coefficients describing individual operations in agriculture and food processing, as well as basic agrotechnical (crop rotation), and zootechnical (structure and reproduction of the herd) norms, reproduction of assets and distribution of the final [product of] agriculture will not change.

14) The following are adopted as reference points in the global optimization problem.

- with regard to consumption of products - values determined by the model of consumption (they are not identical with the values assumed in the central plan);

- for agricultural income - the level resulting from the minimum income ratio;

- for balance of foreign trade - according to premise 7.

A majority of the above assumptions were made on the basis of government documents, the most important of which are: a) the Planning Commission - National Socio - Economic Plan for 1983 through 1985; March 1983; b) the Planning Commission - Basic Premises for the 1984 Annual Plan, October 1983;

c) the Ministry of Agriculture and the Food Economy - Development Program of Agriculture and the Food Economy Until 1990, April 1983; d) the Office of Prices - Premises for Raising Food Prices, November 1983; e) the Food Economy Council - Statement on Nourishing the Populace in the 1980s, April 1983.

Results obtained in a simulation run under the above assumptions prove that it is possible to meet all the optimization criteria at or above the given (desirable) level. Specifically, it is possible to achieve considerably greater meat consumption than the demand function calls for, and modestly higher consumption of fat and fish, and due to this also a higher level of consumption of foodstuffs in general (as measured by the intake of energy and protein). To be sure, the level of food consumption would be lower than in 1978, as well as the 2 following years, especially as far as meat, eggs, and citrus fruit are concerned. Therefore, this may give rise to the apprehension that the economic situation of the populace, the balance-of-payment situation, and the production potential of agriculture will become constraints (obstacles) to any improvement in consumption. This apprehension may be supported by the premises of the central plan for 1985 regarding food consumption; after all, they differ considerably from the values (indicators) determined by the MRP for several basic groups of foodstuffs. The plan assumes an increase in the consumption of grains (by 12 kilograms compared to 1978) rather than stagnation; an increase in fruit and vegetables consumption (by 15 kilograms) rather than decline; stabilization rather than decline in egg consumption, and at the same time a considerably more pronounced decrease in meat consumption (by 14.6 rather than 4.7 kg). From the standpoint of consumer preferences, the premises of the plan are generally less favorable than the ones resulting from the simulation run. This is especially the case with the ratio of grain to meat products consumption. The planned growth of fruit and vegetable consumption, though advisable, appears too high, whereas the level of consumption determined by the model appears too low. Also, the findings of the model are more favorable with regard to consumption of dairy products and fats, and less favorable with regard to egg consumption. The fact that the pattern of consumption determined by the model is more expensive than the planned one should not be an obstacle to its implementation. Under the economic conditions of Poland, inadequate supply rather than prices or incomes is the factor restricting consumption in general, including that of a majority of agricultural products.

Maintaining the negative balance of foreign trade in agricultural products at the previously planned level (\$310 million) and furnishing an adequate amount of imported concentrated fodder (especially protein) is a basic condition for implementing the consumption indicators determined by the model. In view of the failure to fulfill the fodder import plan for 1983 and the tendency to improve the balance of payments by restricting the imports of agricultural supplies, we should reckon with the possibility of reducing the negative foreign trade balance to \$100 million or even to zero in 1985. In that event, an increase in meat exports at the expense of consumption inside the country or restrictions on meat production due to the shortage of concentrated fodder should occur. In this case, consumption indicators of the plan would be more realistic. However, when the plan was prepared, the possibility of reducing further the balance of foreign trade was still not taken into account.

As far as the income criterion is concerned, it could be somewhat exceeded, which would make it possible to improve the income standing of the agricultural population compared to non-agricultural, and to achieve a 0.95

Table 4. Consumption Patterns for Poland

Rubric		I Consumption norms <sup>a</sup>			I Consumption		I in household <sup>b</sup>	I Expected consumption I in 1978 <sup>c</sup>	I Actual consumption I in 1978 <sup>d</sup>	I Plan consumption I for 1980 <sup>e</sup>	I Target model I for 1990 <sup>f</sup>
		I I adequate I I quate	I good	I target	I with I lowest incomes	I with highest incomes					
Grain products	kg	143	133	123	115	127	124.1	122.2	120	130-120	
Potatoes	kg	170	153	137	116	123	161	166	155	160-140	
Fresh and processed vegetables	kg	183	193	199	42	81	113	105	120	110-130	
Fresh and processed fruits	kg	36.6	51.1	64.0	21	61	42	41	60	50- 60	
Meat and processed meat	kg	40.2	43.6	47.4	43.5	85	73.5	70.5	75	60- 70	
Fish and fish products	kg	9.1	11.6	13.3	3.6	7.2	8.9	7.3	8.7	8- 10	
Fats, 100 percent	kg	20.0	20.0	20.0	15.0	21.8	20.5	21.5	22.2	23- 22	
- butter	kg	8.7	10.2	11.8	5.2	9.7	6.6	7.2	7.1	8- 6	
- vegetable fats	kg	11.3	9.8	8.2	3.8	5.2	6.8	7.0	7.8	9- 11	
- other fats	kg				6.0	6.9	7.1	7.3	7.3	6- 5	
Milk and dairy products	l	283	333	389	220	308	288	264	282	260-280	
Eggs	units	153	230	318	141	277	221	219	235	210-200	
Sugar	kg	24	25.2	26.8	25	36	45.7	42.7	46.8	40- 39	
Spirits, 100 percent alcohol	l	.	.	.	0.8	5.0	4.8	5.6	6.0	.	
Wine and beer, 15 percent alcohol	l	.	.	.	0.5	14.5	18.6	17.2	21.0	.	
Tobacco products	kg	.	.	.	0.8	2.0	1.0	1.3	.	.	
Coffee and tea	kg	.	.	.	0.5	2.2	2.8	2.6	.	.	

Notes: a) Prepared for 1980 in the Institute of Food and Nutrition. b) According to the GUS I Main Statistical Administration I calculations for 1978. c) Calculations based on the Model of Consumption. d) Based on the balance method. e) Targets of the 1976-1980 Five-Year Plan. f) Adopted by the Council for the Food Economy as the target model for 1990; in the first column - the less capital-intensive and easier to implement, in the second column - a model difficult to implement before the year 1990 (data are based on the balance method).

income ratio. Despite this, the real level of per capita agricultural income will be about 2 percent lower than in 1978. Of course, it is possible to revise this level somewhat upward, if there is an improvement in supply of the means of production to agriculture or further improvement in the price ratio in favor of agriculture (however, a reduction in labor force is not realistic), or downward if non-agricultural incomes grow faster than planned. It is noteworthy that the income level determined by the model exceeds that assumed in the plan by 7 percent.

The results of a simulation run indicate that the gross final product of agriculture in 1985 may be about 6 percent lower than in 1978; it may also be 3 percent lower than envisaged in the plan. At the same time, the net final product may be identical with 1978 and almost 6 percent higher than planned. In crop production, much better results than in 1978 may be expected, e.g. higher harvest of grains (by 9 percent), potatoes (by 8 percent), vegetables and fruit (by 14 percent) and sugar beets (by 5 percent). Differences between the harvests modelled and planned are small with the exception of potatoes; the harvest of the latter may be considerably higher than planned (by 13 percent). The opposite trend is becoming apparent in animal husbandry. Compared to 1978, a decline in meat (by 4 percent) and egg (by 7 percent) production should be expected, as well as a higher production of milk (by 5 percent). Compared to the provisions of the plan, we may expect higher production of slaughter cattle (by 10 percent, mostly pigs and cows) and lower egg production (by 9 percent). The results of the simulation appear to make sense given the shortage of concentrated fodder and the opportunity to increase potato harvest.

According to the findings of the model, consumption of materials and production services in 1985 will be considerably below that in 1978 (by about 12 percent) and somewhat below the provisions of the plan (by 2 percent). Consumption of raw materials of agricultural origin may fall most precipitously compared to 1978 (by 30 percent) and provisions of the plan (by 8 percent). This is mainly the case with consumption of commercial concentrated fodder (a decline to almost one-half of the 1978 level). A drop in consumption has been compelled not only by a marked decrease in fodder imports but also by fodder becoming more expensive relative to the price of slaughter cattle, especially pigs, which, in its turn, results in reductions in grain-intensive branches and technologies of animal husbandry. In its turn, demand for non-agricultural means and services will approximate that for 1978; however, it will be 10 percent higher than the plan calls for. Considerable growth of demand for fertilizer and pesticides should be expected, however, at a rate not exceeding the provisions of the plan. Demand for spare parts, construction materials for modernization and repairs, and modernization and repair services may go above plan assumptions.

According to the findings of the model, investment outlays for agricultural production in 1985 will be well below those in 1978 (by 25 percent) and also below plan provisions (by 2 percent). Due to the expected decline in animal production and stagnation of the labor force, they will mainly be of a reproductive nature. This is why the increase in production assets and amortization will be small, contrary to the provisions of the plan.

It also follows from the results of the simulation run that available resources of agricultural land will be almost totally used, whereas labor resources will not. Reserves of labor became apparent in simulation runs for

the year 1978. In 1985, these reserves have grown further, which is understandable in view of the expected decrease in animal husbandry and advances of mechanization (the number of tractors will grow from 410,000 to 745,000, with the number of horses declining from 1.58 to 1.36 million over the same time). This is undoubtedly one of the basic shortcomings of the present and the future socio-economic situation in agriculture. It follows from the comparison made that the 1985 plan does not differ on basic issues from the one which would be built based on the model. However, the deviations ascertained point to possible dangers which should be taken into account in current economic policy, if not in revising the plan.

Finally, it should be added that the simulation run discussed above was done towards the end of 1983. Actual conditions of 1985 differ to some degree from what was planned and taken into account in the simulated scenario. Therefore, not all of the results and conclusions drawn from them may be considered correct at present. This, however, results not only from the imperfection of the model but also from the uncertainty of premises on which it was based.

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9761  
CSO:2600/27

## GOVERNMENT FAULTED FOR SLOW DAIRY HERD GROWTH

Lodz GLOS ROBOTNICZY in Polish 25 Sep 86 p 2

[Article by W.U.: "Councillors Assess Lodz Agriculture"]

[Text] The situation in agriculture in the Lodz City voivodship is better now, on the whole, than a year ago. A number of positive changes have occurred in both plant and animal production. In grain-crop sowing, plants of more intensive productivity continue to arouse great interest. The result of reduced cultivation of rye (the average yield this year was 25.4 quintals per hectare) is such that four-grain crop yields, with larger areas planted with wheat, oats and triticale, averaged 27.4 quintals per hectare.

As of 22 September 11,681 tons of grain from this year's crops are in warehouses (57 percent of the annual plan), which is 1,000 tons more than at the same time last year.

In animal-raising, during a period of 8 months, operational tasks were exceeded by 14 percent, which has an important bearing on high hog procurement. Egg deliveries increased 40 percent, and poultry, 28 percent.

However, the dairy cattle situation aroused great concern among the councillors, members of the Lodz City People's Council Agriculture and Food Economy Committee, at a meeting yesterday at which they examined the local socioeconomic plan and budget in the voivodship's agriculture. The drop in dairy herds, which has been occurring over the last 3 years, has already brought a 10 percent reduction in milk supplies.

In a discussion, the councillors determined that recent government decisions (mainly financial and economic) aimed at stimulating the raising of dairy herds have not yet reversed the unfavorable tendency, and they supported the initiative of the Department of Agriculture, Forestry and Food Economy of the Lodz City Administration to make a comprehensive examination of the state of cattle-breeding in the voivodship, in all sectors of agriculture.

According to a report presented by the Department director, Mateusz Zawadzki, implementation of farm capital projects is generally going well. Over the past 8 months they have advanced 60 percent. Land reclamation and work connected with construction of a water line is also moving along efficiently.

However, problems have appeared in the construction of seven water-supply stations and conservation work on land-reclamation installations is not going very well (neglected drainage ditches and lack of money for repairs).

The latter primarily affects renovation of the building in the Agricultural Schools Group in Widzow-Zdzary, where a halt to the work may be necessary.

Mateusz Zawadzi and his assistant, Maria Dabrowska, replied to the many questions asked by the councillors. The meeting was conducted by the committee chairman, Stanislaw Fontanski.

9295

CSO: 2600/152

## PROGRESS OF FARM MECHANIZATION IN 1980'S REVIEWED

Warsaw RZECZPOSPOLITA in Polish 9 Oct 86 p 3

[Article by Edmund Szot: "The Secret of Good Crops"]

[Text] During 1983-1985 labor productivity in agriculture, measured by final output per employee, rose 12 percent, and measured by net production, rose by 15 percent. The growth in labor productivity made it possible, despite a drop in employment of approximately 200,000, to achieve a high growth rate in both total farm production as well as net production. The latter grew four times more rapidly than in many past years.

These undoubted achievements can be attributed to many factors: Good weather; greater commitment on the part of the farmers who, through a provision written into the constitution, were convinced of the permanence of the private farm; and organizational measures by institutions connected with agriculture.

Farm production growth was not the result of increased deliveries of fertilizers because in 1980-1985 fertilization was reduced from 192.9 kg to 175.2 kg of NPK per hectare (consumption of lime fertilizers also dropped and consumption of pesticides did not increase). Therefore, chemistry played no part in the growth of farm production. Nor was there any increase in reclaimed land. And the weather, those who regularly observe it maintain, was just average. But one, generally underestimated, factor in growth of farm production, operated. That was the increase in mechanical equipment.

During 1980-1984 traction power reserves increased from 30.4 to 37.8 traction units per 100 hectares of farmland, including an increase in mechanical power reserves from 22.7 to 30.6 units.

Traction power was increased due to the larger number of tractors (from 620,000 in 1980 to 855,000 in 1985), plus an even more rapid growth in numbers of self-propelled machines employed in farming.

During 1980-1985 the number of tractors used in farming rose 30 percent, while the number of grain-threshers rose 65 percent (from 32,570 to 54,000). Farming received 94 percent more potato-harvesting combines and 89 percent more beet-harvesting combines. It now has 98 percent more coal-fired cookers,



84 percent more grab-loaders, 71 percent more rotary mowers, 62 percent more milking machines, and many, many other machines.

Energy consumption also increased from 396 kWh/hectare in 1980 to 516 kWh/hectare in 1984.

The visible improvement in mechanization of Polish agriculture in the last few years also had an impact on the number of horses. Their number dropped from 17,800 in 1980 to 12,720 this year.

The larger amount of equipment made it possible to meet farming deadlines, and often, for example in the case of grain-harvesting combines, reduced losses during harvesting.

This shows that mechanized equipment has a direct effect on farm production growth, and not just on labor productivity growth.

Mechanization also fulfills other important functions. It helps to keep young people on the farm and enables desirable changes to be made in agrarian structure. Owners of mechanized farms, more often than others, try to have them enlarged, reasoning correctly that on large farms the unit cost of mechanizing jobs can be spread out over a larger number of hectares.

Experience of the last two years points to still one more thing, i.e., the urgent need to mechanize the most labor-intensive jobs, such as milk production and sugar-beet cultivation. In both these areas there has been a regression, with an attempt to correct it by raising procurement prices. This is not the best method.

It is true that in rare publications impatience is felt: How many more machines does farming need? Do deliveries have to go on endlessly? The demand for tractors continues, and there are still many who are waiting for combines, manure spreaders, loaders, sprayers, balers, rotary mowers and trailers. Because of this, all of these machines must continue to be state-controlled.

In Poland there is still too little horsepower per 1 hectare of farmland. There are also large disparities in allocation of equipment, made worse in some places by inept equipment distribution policy.

The demand for grain combines and potato and sugar-beet lifting combines continues to be greater than the supply. The farmers expect that mass production of mini-tractors will begin, while the mountaineer-farmers are awaiting specialized equipment for work on hillsides (8 to 10 percent of the country's farmlands).

One of the real weaknesses in the mechanization of Polish farming--despite an unquestioned improvement--is the low quality of the equipment being offered. This entails an increased demand for spare parts. Unfortunately, the distribution system continues to be far from perfect. This reduces the utilization efficiency which increases farm production costs.

We have pointed out these inadequacies because the definite progress in the mechanization of agriculture which occurred in the last few years gives rise to optimism for the future.

## AGRONOMISTS EYE OPTIONS FOR PRODUCTIVE PASTURELAND MANAGEMENT

Warsaw POSTĘPY NAUK ROLNICZYCH in Polish No 6/212, 1985 pp 107-112

[Article by Mieczysław Nowak, Central School of Farming, Academy of Agriculture, Warsaw: "More Productive Pastureland"]

[Text] The title of this article was the subject of a conference organized by Professor Falkowski at the request of the management of the State Farms Combine in Manieczki (Poznań Voivodship). The conference was combined with visits to several meadow facilities and pastures. About 20 meadow specialists representing the agricultural academies, the Institute for Reclamation and Use of Pasturelands, the local farm administration and the Manieczki State Farms Combine, attended. The conference was held 15-16 May 1985.

In addition to discussions at particular pastureland facilities, a broad exchange of ideas was conducted in farm centers regarding the work now being done and the investments needed for meadows to make farms more productive, increase crop yields and improve their quality.

The author took part in the meeting and discussions, and this article contains the central ideas and proposals drawn from them.

The general progress and development of farm production on arable lands is not matched by an equivalent growth in yields from meadows and pastures. The reasons for this are known, but they cannot adequately justify the fact that these lands, which cover over 20 percent of the country's acreage, are used to less than half of their potential, and from the standpoint of the quality of the fodder, probably to an even lesser degree. Not only are the farmers responsible for this, but also the administrative authorities and the farm and social organizations. Science, too, is not without blame, because it did not call enough attention to the resultant economic losses.

Aside from general, social and political difficulties (wars, economic crises), which hampered measures to better manage these lands, the work in many areas was affected by the fact that meadows often form large land masses which are situated along watercourses but are at a considerable distance from the village and farm buildings. They are usually owned and used by a large number of farmers who must contact each other and coordinate problems involved in doing and financing the necessary work. And this is often very difficult.

The intentions of the farmers to farm intensively and concern themselves with meadows to improve their productivity are also influenced unfavorably by the fact that hay, and the pasture green forage also, is not a direct bulk commodity on the farms, or if it is, rarely. Today most farmers highly value the meadows and pastures, but as they encounter difficulty in working directly to improve their productivity (lack of fertilizers, seed, machines, equipment, etc.) meadows and pastures, they often give up.

The work of most water companies is not adequate either, particularly in conserving the land that has been reclaimed. Therefore, the accountability of the companies to the supervisory administrative authorities for the status and functioning of reclamation must be increased.

Reclamation in meadows is done in this country primarily to drain excess water, and regulation of the amount of this water in relation to air in soil is often relegated to second or third place. As a result, many reclamations, particularly on light and peat soil, do not function properly and their equipment which periodically holds back the outflow of water or activates irrigation, needs to be supplemented.

The Polish farmer knows how to improve the productivity of meadows and pastures, but conditions have to be provided so that the necessary work can be done and that the products he sells (milk, meat) are profitable to him.

In examining the problems of meadow-pasture production, the real question is often to determine the size of the yields which we, in our conditions, can and should strive to achieve. Familiarity with the terrain permits the author to assess these capabilities as follows:

1. The best meadows and pastures, located on good soil and watered by rain or irrigation, regularly and efficiently fertilized, can supply 8 to 10 tons of hay or 35 to 40 tons of green fodder from 1 hectare.
2. Good meadows and pastures, located on somewhat poorer soil, fertilized but subject to periodic droughts during the vegetation period, can produce 6 to 8 tons of hay or about 30 tons of fodder from 1 hectare.
3. Grasslands of average productivity located on poorer soil, not as well fertilized, can produce about 5 tons of hay or 20 tons of fodder per hectare.
4. Meadows with low natural fertility (on sandy soils or in the mountains), on which yields are up to 4 tons of hay, should not, in our country, cover more than 15 to 20 percent of the acreage of these grasslands.

Good cultivation and proper utilization should increase yields on 65 to 80 percent of the country's acreage of these grasslands approximately to the amounts given in categories 1 and 2. This is possible with reasonable, balanced fertilization.

Each year many experiments are conducted in this country in which the effectiveness of fertilizers is studied. For the most part, these studies consist of determining the need for fertilization and the quality of the

ingredients applied. But on the whole, not enough attention is given in the long-term experiments to the inclusion of farm manure in the fertilization treatments. The West European countries, with large quantities of livestock, regularly use farm manure (liquid and solid, mixed and fermented) on all of their grasslands. Results not only show the high action of the ingredients but also their positive effect on reviving the microflora in the soil through better utilization of the artificial fertilizers applied. In our country the good effects of farm-manure application to meadows were noted a long time ago, but in looking only at the yields obtained, it was not considered to be indispensable. Even if meadow soil is rich in humus, if it is not fertilized with farm-animal wastes it becomes impoverished from the microbiological standpoint and is less active in making use of inherent or added ingredients.

The question also arises as to whether the fact that farm-fertilizers are not used on our meadows is the reason for the relatively rapid deterioration of the ground cover and vegetation on many of our meadows. This phenomenon is frequently observed, especially on many newly established meadows, where after only 2 years part of the vegetation disappears and empty places appear on which weeds then grow. On a newly established meadow after the old sod is plowed under, the young vegetation benefits not only from the application of artificial fertilizer but also from the large amount of nitrogen released from the decomposing humus in the soil. In addition, when this happens the soil is loose and airy the first year, just as on a plowed field, which corresponds to the conditions on which seed grasses are grown. The second year, despite fertilization, the decomposition action of the humus is much weaker and the soil often becomes compact and is not very suitable for seed-grass production. Vegetation reacts to this by not growing as well and even empty spaces appear which are then filled with weeds. This deterioration of ground cover can be prevented by using cow manure, fermented, diluted solid and liquid farm-animal wastes, or possibly by seeding. These measures are used universally in Western Europe (especially in Austria and West Germany).

In this country artificial fertilizers are applied according to established norms or customs. Even in experimental work conducted by agricultural institutes, the number of ingredients appearing in the crops, how many were supplied by fertilizers and how many by the soil, is rarely a matter of study or calculation. It is also rather strange that the district farm and chemical stations are not conducting regular studies of meadow soils and are limiting themselves exclusively to arable lands. The stations conduct these studies at the special request of the gminas or the users.

In the norms on fertilization of grasslands little consideration is given to the fact that nitrogen fertilizers make it easier for the grasses to absorb other ingredients but that the growing vegetation cannot keep up with the absorption of phosphorous, copper or other elements, especially if there is not much of them in the soil. Also, we often forget that every potassium fertilization reduces the lime, magnesium and sodium content of the plants, elements which are important in every meadow-pasture fodder.

In recent years thousands of experiments were conducted in an extensive campaign and the vegetation used in these experiments was subjected to chemical and botanical analyses. The large number of experiments dealing with

the fertilization of grasslands and the mistakes observed in the actual use of fertilizers point to the urgent need for a consolidated report based on the results published thus far. It should give a brief summary of the general rules for selecting fertilizers and the amounts to be used under different soil conditions. The report should also give the division of the doses, the best time to apply them, and their effect on higher yields and the botanical and chemical composition of the ground cover, and thus its profitability. Opinions that there is need for coordination in the planning of meadow experimentation aroused a storm of protest at a meeting of the Polish Academy of Sciences Plant Cultivation Committee. Each employee of a scientific institute or establishment alone plans the research and observation methods to be used, in the fear that if someone else conducts a similar experiment according to a jointly established method, he may not get credit for having conducted a scientific work.

It is also essential that the advisability of using a high-nitrogen artificial fertilizer be discussed. We know that it can greatly increase yields if it is used in balance with other artificial fertilizers and farm-animal wastes. The Institute of Reclamation and Use of pasturelands has almost 30 years of experimental results showing the capabilities and effects of such one-sided intensification. Years ago, Falkowski published a summary of nitrogen experiments on meadows. But the research conducted by microbiologists (B. Smyk, E. Rozycki and W. Barabasz), who showed that high doses of mineral nitrogen produced enormous microbiocenotic and toxicologic changes in the soil in the third year, should be examined in detail. High doses of nitrogen fertilizer are always followed by a large change in the soil's microflora, including an enormous predominance of the development of bacteria which produce nitrosoamines and toxin-producing fungi. These compounds are clearly phytotoxic, mutagenic and carcinogenic and teratogenic. They may be a serious threat to the health of farm animals, and through them, of people.

Of the several thoughts presented here about fertilization of meadows and pastures, this much is certain: Aside from a sufficiency of water on these grasslands, it is the most important factor in increasing yields, it is not applied enough in practice, and when applied, it is too often applied incorrectly.

The quality of pasture hay and green fodder is determined primarily by when it is gathered and used. The haymaking season in our country usually lasts from 20 May to 20 July, and sometimes even longer. Generally about 70 percent of the meadows are mowed too late, which is why (in the author's opinion) about 10 percent more hay is gathered. But studies have definitely shown that percentagewise it always contains less protein and more of the difficult-to-digest raw fibers. As a result (again in the author's opinion) Polish agriculture loses about 20 to 30 percent of the fodder and its value through lower digestibility and much reduced savoriness of this excellent provender. In a rainy year these losses may be almost twice as high.

On every farm, haymaking is always more of an organization problem than a technical one. Waiting for sunny weather makes no sense, because even if later mowing gives a larger dry mass, it contains a smaller amount of protein,

a higher amount of fiber, and reduced--by a few or several percent--digestibility.

When a farmer today can produce, in addition to hay, fodder of almost the same nutritive value as hay-silage and silage, the failure to mow meadows on time points to a low level of farming knowledge, and in the case of state farms, organizational incompetence.

The production of grass seed and papilionaceous plants (clover, alfalfa) and their varieties was of interest to many of those attending the conference. It was generally said that farmers need these seeds primarily to expand and intensify the cultivation of mixed feeds, sown during crop rotation on the arable lands. The demand for clover and grass seed for this purpose will grow, therefore a great deal of attention must be given to using the correct varieties, adapted to soil conditions and purposes for which they are used. It is also essential that research in this area be greatly expanded by the scientific institutes and in practice by the voivodship centers for agriculture progress and the leading farms. We are able to meet the demand for these seeds through domestic production. The scientific institutes should develop examples of mixtures indicating the correct varieties to use for particular conditions in various parts of the country.

The growing demand for grass seeds will also be demonstrated by the campaign to make use of reclaimed grasslands and to seed the permanent meadows and pastures to add to their vegetation. This was advanced as one of the measures which has not been applied in our country very much, and which may be very significant in maintaining important varieties of grass or clover in the meadow ground cover, thus helping to obtain high yields on these grasslands.

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## RELATIVE IMPORTANCE OF ROOT, GRAIN CROPS CONTRASTED

Warsaw KURIER POLSKI in Polish 23 Sep 86 p 1

[Article by SM: "The Headaches of Overabundance"]

[Text] Fall this year has been good for both the farmers and the crops. This is very important, because for people not very familiar with work on the farm, the synonym for hard work is "harvest-time." Harvesting is always accompanied by a huge propaganda campaign in the press, radio and television. But digging of potatoes and beets gets no such recognition. And yet the fall harvest is much less mechanized and the farmers have to gather, haul and load literally millions of tons of roots and tubers with their own hands.

A comparison of weight alone of root and grain crops shows that the grain crops weigh less. This year we gathered (together with rape) about 25 millions tons of grain crops, while estimates of potato and beet crops exceed 50 million tons. Haulage of root crops is also much more complicated than transport of grain. We should also remember that potato- and beet-lifting, on the farming calendar, take place at the same time as fall plowing, winter-crop sowing, and rape sowing. For now, the weather is good, although in some regions rain has delayed potato-lifting.

Potatoes must be gathered from over 2 million hectares and recent estimates are that yields will be an average of 184 quintals per hectare, i.e., that there will be a total of over 37 million tons. Crops are better than last year because there was less blight and it rained late in the summer. Also, the tubers contain more starch.

Beets will be lifted from 426,000 hectares, i.e., from 13,000 hectares less than in 1985. It is estimated that yields will be lower than last year's, but until now we were told that the sugar content was higher. Now it appears that recent studies in the fields have shown that the sugar content is 1 percent lower.

The sowing is in full swing. Rape is already growing on 500,000 hectares (this is 25,000 less than this season. We also have the exact figures on this year's record harvest: 1,283,000 tons). Winter crops are already germinating and are out of the ground on 15 percent of the acreage on which they were sown. Again, there is more of the intensive grain: wheat and oats. On the

other hand, triticale deliveries are much smaller than necessary to fill the orders on hand. Availability of fertilizers is generally described as being good, but this is quite an exaggeration when we consider that back-orders for nitrogen fertilizers have reached 71,000 tons of pure ingredient which, if converted to the popular ammonium nitrate, now amounts to a quarter million tons. There is also a shortage of lime--so essential in the fall--with deliveries amounting to 75 percent of requirements.

Fall also marks the beginning of work in the orchards. In writing about the tomato disaster (thus far, 172,000 tons have been procured, i.e., 52,000 more than last year), I mentioned that it appears that the same calamity will befall the apple crop. I must have cast the evil eye. Even then, crops were estimated at 1,700,000 tons, i.e., 400,000 tons more than a year ago. Pomona, the Roman goddess of fruit trees has blessed us this year and the most recent estimates speak of 1,800,000 tons with "an upward tendency." Maybe those who until recently were called incorrigible optimists (pessimists, if you prefer), and predicted 2 million tons, were right. Procurement has now exceeded 270,000 tons and part of the fruit is already on its way to the distillery. By the way, I would like to remind that the processing capacity of our entire fruit-and-vegetable industry is said to be 700,000 tons of apples. It looks, therefore, as if in addition to good crops, the golden Polish autumn will give some people a headache.

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## NEW TRITICALE STRAIN PLANTED IN LODZ AREA

Lodz GLOS ROBOTNICZY in Polish 25 Sep 86 p 3

[Article by J. Woldan: "Autumn Work in the Fields"]

[Text] "Mr Director, can you sell me a little triticale?" Marian Janczak, a farmer from Brzezno, asks of Tadeusz Godycki, director of the State Pedigree Breeding Center in Deboleka.

"Triticale now? Isn't it too late? After all, that is a winter grain," says the director.

"I have the land ready, idle. I can sow it immediately. And I would like to try out this triticale. Somehow there wasn't time earlier to buy the seed."

Janczak bought 2 quintals of triticale in Deboleka. Thus he will be one of the dozens of farmers who this year will sow this new strain of grain on their fields. Because, as director Godycki says, about 80 tons of triticale was distributed to neighboring farmers. True, this is not highly certified sowing seed because it is slightly contaminated with rye (which is why it did not meet requirements at the Seed Headquarters), but its germinating power tested out at 95 percent. And in addition, it definitely gives a better yield and qualitywise, better grain, particularly for feed.

The demand for triticale in the Deboleka area is enormous. The farmers have seen this plant in the fields. It was cultivated here on 95 hectares and gave an average of 45.7 quintals of sowing seed per hectare. That is why average productivity of grain in the center this year was 39.3 quintals per hectare. On very poor soil, because that is the kind that all three farms--Deboleka, Dabrowa and Dabrowka--which make up the Pedigree Breeding Center, have.

Fall work? Director Godycki says, "We have already sown over 540 hectares of 550 hectares of winter crops. Eight remain. Triticale will grow on 140 hectares this year. This is an ideal plant for our soil. Twelve hectares of potatoes must still be lifted and 114 hectares of meadow-grass must be mowed--the third mowing. The grass will be used for silage, so the weather is not particularly important. We will not dry the hay. We have already harvested the corn--130 hectares-- and the silage from it is already in.

There are no problems with the work this year. From the standpoint of weather, this has been a good year for farming. We finished harvesting on 3 August, while last year it was 6 September. So we gained over 30 days.

In Zloczew gmina there are fewer and fewer potatoes in the fields. The lifting is drawing to a close. The farmers are delivering the potatoes to the cooperative, as contracted.

"Thus far," says the president of the cooperative in Zloczew, Jozef Mucha, "we have bought 1,100 tons. And we have contracted for 2,100. There is no fear that we will not fulfill the plan for procurement of potatoes. We could buy more, but we only have orders for that many. We will also fulfill the plan for grain procurement, although it is low, 2,100 tons. We bought half. But there is no threshing now because people are busy in the fields. In October and November deliveries of grain will begin again."

"Potatoes? Thus far in the gmina we have lifted about 75-80 percent from the fields," says Henryk Cieslak, manager of the farming and forestry gmina office in Brzezno. "And we had almost 2,000 hectares of potatoes to dig. What kind of crop was it? Average. The early ones were very good, later there was a blight. But there should be an average of 185-190 quintals per hectare in the gmina."

It appears, therefore, that even this heaviest and most intensive fall work, which lifting is, went well. I write "went" because machines are entering the root-crop harvesting also. In Brzezno gmina, for example, the Farm Circle's Cooperative has 14 elevator potato-diggers and 4 potato combines. The farmers, on the other hand, have 130 such diggers and 18 combines.

It is worse with the third mowing of grass. There are still haystacks and swaths of cut grass in the meadows. The weather, unfortunately, is not good for drying hay. And does this last mowing of hay have to be made into hay? After all, it would be simpler and easier to make silage out of the mowed grass. This is not only not worse, but on the contrary, even better feed for the livestock. And the work can be done even on cloudy days, of which we have many in September.

Sowing, potato-digging, gathering of grass and corn--that is the work now being done in the fields. Soon the lifting of beets will begin--the fodder beets and the sugar beets--as well as the pre-winter plowing. In a word, the farmers will not have much time to rest before winter. Except that this year the harvest went rapidly and efficiently, spreading out the heavy fall work. Now the work can be done more calmly. And this, too, is important because the farmers undergo enough stress in trying to buy coal or fertilizers. The nitrogen fertilizers, particularly, are hard to get. But now, just before winter, potassium and phosphor must be put into the soil under the root crops. And there are apparently enough of these in all of the cooperatives.

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## CEMA MEETING ON NUCLEAR POWER COOPERATION

Warsaw RZECZPOSPOLITA in Polish 26 Nov 86 pp 1,2

[Article by M.D.: "The Necessary Development"; passages in slantlines printed in boldface]

[Text] /A program for constructing nuclear power stations and heating plants in the member countries until the year 2000 was adopted at the 42nd CEMA Session, which was held in Bucharest in November of this year. The program envisages that towards the end of this century the capacity of nuclear power plants in the CEMA countries will reach about 50,000 MW, and the combined capacity of nuclear heating plants--7,000 MW./

/Development of nuclear energy is unavoidable. The point is to ensure that nuclear power and heating plants are safe, and machinery and equipment furnished to them are of high quality./ Ensuring timely deliveries of machinery and equipment, which are already being produced within the framework of specialization and cooperation, is another issue on which proper development of nuclear power hinges. /This was stressed by Deputy Prime Minister of the PRP Zbigniew Szalajda at the 15th session of the Intergovernmental Commission on Cooperation in Production and Mutual Deliveries of Equipment for Nuclear Power Stations./

The needs of the nuclear power industry in the CEMA countries have created a large market, in which reciprocal deliveries amount to more than 500 million rubles annually (not including own needs of individual countries). Poland accounts for 30 to 40 million rubles. This is not too little; however, even as far as contractual deliveries are concerned, we are experiencing difficulties. For example, fittings for heat exchangers produced by us are in short supply. Polish specialization for the years 1991 through 2000 has been expanded to include new types of equipment. The technical profile of production is also changing; instead of equipment for 440 MW units, we will deliver equipment for 1,000 MW units. Therefore, it is necessary to implement the expected investment projects in the iron and steel industry. Supplying electronic systems of radiation control is equally important and, moreover, profitable for us. Polish industry must increase their supply and ensure high quality and reliability of these devices, because Poland is not the only country capable of producing them.

/The Warsaw meeting of the international commission with the participation of deputy prime ministers in charge of nuclear power development from 9 socialist countries, including Yugoslavia, will extend the agreement of 28 June 1979 to the years 1991 through 2000. The Republic of Cuba will join the countries bound by the agreements./

## CEMA PLANS INCREASED COOPERATION IN SHIPBUILDING

Warsaw RZECZPOSPOLITA in Polish 29-30 Nov 86 p 2

[Unattributed article: "New Stage of Cooperation in the Shipbuilding Industry"; passages in slantlines printed in boldface]

[Text] /A 4-day meeting of the Branch Bureau for the Shipbuilding Industry of the CEMA Committee on Cooperation in Machinebuilding adjourned in Gdansk on 28 November./ Results of the proceedings, reflected in a protocol signed at the meeting, are a significant step towards further integration and enhanced cooperation of shipbuilding industries in the 9 CEMA countries and Yugoslavia, which cooperate within the framework of the bureau.

/We should stress especially the adoption of provisions aimed at solving jointly handled issues in developing production and technology in the entire cycle from scientific research to starting up production and distributing final products./ This will call for considerably closer cooperation and more selective specialization in producing equipment for ships and technological equipment for shipyards. An exceedingly great number of partners specializing in the same product has been the weakness of cooperation in this field to date. Undertaking production of an array of goods thus far imported by all CEMA countries and Yugoslavia from the second payments zone [capitalist countries] will become a turning point. /It has been established that Poland and the USSR will be the final producers of the first group of such goods, whereas other countries will deliver various parts and assemblies. The principle stating that the producers selected will be obligated to fully meet the needs of all partners cooperating within the framework of the bureau was accepted./

/It was ascertained that there is a need to narrow specialization in shipbuilding as well. Fishing vessels, container ships, vehicle carriers and refrigerator ships are to remain Polish specialties./

The Gdansk meeting reviewed several long-range issues which are to be resolved gradually before the year 2000. The issue of reconciling the needs of the fleets of cooperating countries and the production potential of their shipbuilding industries also was among them. A corresponding program will be worked out soon. Pursuant to the recommendations of the CEMA Executive Committee, a policy was adopted to the effect that only products of a high

technical standard, on par with the world level, may be covered by this program. In conjunction with this, requisite technical norms will be worked out. Also, a joint policy on licenses will be set. Issues of automation, design processes, as well as robots, including starting up the production of a portal robot for welding vessel structures, were among the topics in science and technology discussed.

/A program of enhancing the participation of Cuba and Vietnam in cooperation and aiding these countries in developing their shipbuilding industries was adopted./

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## EAST-WEST TRADE SEMINAR HELD IN WARSAW

Warsaw TRYBUNA LUDU in Polish 27 Nov 86 p 9

[Article by (B. St.): "East-West Economic Relations"; passages in slantlines printed in boldface]

[Text] /The 10th International Student Seminar "East-West Economic Relations", organized by the Department of Foreign Trade of the SGPiS [Main School of Planning and Statistics] and the local committee of the AIESEC, a specialized student organization, was opened in the SGPiS building in Warsaw./

/Barriers and restrictions on East-West trade/ are the main topic of this 9th seminar held under the auspices of the Ministry of Foreign Trade since 1967, with 132 students from over 20 West European nations and the USA, and over 80 Polish students participating.

/Meetings of young economists in Warsaw, which have been held for almost 20 years, are the largest event of this kind in all of Europe. They have already become an important forum for exchanging views among the adherents of different economic schools from many countries of the world./ Participation of many well-known economists in the proceedings attests to the international prestige of the seminar.

Among others, Joseph Smolik, a representative of the executive secretary of the UN ECE, was a guest of the seminar.

Among other things, Prof Dr Lucjan Ciamaga stated the following in an interview to a TRYBUNA LUDU representative: /"We regard these seminars as very important practical training of students for professional activities. We also count on the participants of the seminar establishing numerous bilateral contacts, as has been the case in previous years. These will come to fruition at a time when these young people start their professional activities and begin to contribute in decisions on the condition and development of trade ties in the world. Mutual understanding is very important in this regard. It is facilitated by very frank and at times heated discussions on all topics. The lack of political prejudice on the part of many young economists in the West is, among other things, characteristic of these discussions, and this is very important. In their reports, these economists increasingly often subscribe to the view that political discrimination in international trade is ineffective from the point of view of economics and illegal from the legal point of view."/

## GORYWODA MEETINGS IN PRC HIGHLIGHTED

Warsaw RZECZPOSPOLITA in Polish 28 Nov 86 pp 1, 11

[Text] Peking--PAP correspondent Jerzy Bajer writes: The Council of Ministers Planning Commission delegation, headed by deputy premier Manfred Gorywoda, while visiting the PRC, was received in Shanghai on Thursday by the PRC chairman, Li Xiannian. He acquainted the delegation with the program for reform of the economic structure in China and the problems connected with its implementation. Li Xiannian expressed satisfaction with the developing cooperation between the two countries and underscored the need to take advantage of the possibilities of further increasing bilateral relations.

In this context, he also mentioned Wojciech Jaruzelski's recent visit to China and his talks with Chinese leaders and sent his regards to the Polish leader.

Gorywoda and his delegation visited southern China between 23 and 26 November--Canton, and the special economic zone Shenzhen. During its visit in Canton, the delegation met with vice-governor Yang Li who described the developmental program for Guangdong province, of which Canton is the capital, and also visited the Baiyun agricultural-industrial-metallurgical complex on the outskirts of the city and its metallurgical plants. In the special economic zone Shenzhen, located on the border with Hong Kong, the delegation familiarized itself with the functioning of plants with mixed Chinese-foreign capital and the concept of utilizing foreign investments to modernize the economy.

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## REPORT ON ECONOMIC TALKS WITH FINLAND

Warsaw TRYBUNA LUDU in Polish 29-30 Nov 86 p 8

[Text] Helsinki (PAP)--At the invitation of Finland's minister of Trade and Industry, Seppo Lindblom, the Polish minister of Chemical and Light Industry, Edward Grzywa, spent 4 days in Helsinki.

The talks between the two ministers confirmed that development of economic cooperation and trade exchange in the chemical, light and paper-pulp industries was possible. Interest was expressed in joint ventures, e.g., in the paper industry, and an increase in trade exchange of pharmaceutical products, paints and lacquers, and pesticides was discussed.

Talks on possible forms of cooperation between Polish and Finnish industries were continued with the leadership of the Finnish Chemical Industry Federation and with managements of firms such as Kemira, Neste, Partek, Orion-Yhtymä, Teknos-Winter and Metsä-Botnia.

Minister Grzywa observed production in several pharmaceutical, petrochemical, paint and lacquer, and cellulose factories and also became acquainted with a system for distributing medicines to apothecaries which guarantees continuity of sales.

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## ROLE OF DOLLAR ON DOMESTIC MARKET VIEWED

Warsaw POLITYKA in Polish No 46, 15 Nov 86 p 16

[Article by KTT: "Playing the Dollar Game"]

[Text] The singular habit in our country of not writing about what we are talking and not talking about what we write, is becoming more firmly entrenched. Never, even among the most committed circles, have I met people who would discuss the lead article in the morning paper, and there are even fewer who would want to see ordinary conversations in print. But if one such would appear, unquestionably sooner or later he would have to write about the dollar. The subject of the dollar, "green," or "lettuce," as this currency is called in the vernacular, comes up in thousands of conversations, putting into question the opinion that the dollar is a foreign currency in our country. On the contrary, judging not only by the verbal interest but also by the fact that a considerable number of transactions, particularly the more important ones, are made either in dollars or according to the dollar-conversion rate, the dollar is most familiar to us.

I believe that both the liberal travel policy as well as the quite liberal foreign-exchange policy make this currency so much a part of our life. People who travel abroad go there, for the most part, to earn money--I wrote about this recently in discussing the status of Polish "guest-workers." They are allowed to bring the money they earned back into the country, deposit it in a bank account, and entirely legally take it out when they travel abroad the next time. This is a commendable practice from which both sides profit, both the person going abroad and the state treasury, which obtains foreign exchange for its use during these times when foreign exchange is hard to come by. It may be said that this prudent and tolerant foreign-exchange policy is another example of those Polish paradoxes, in that in many areas the policy conducted after martial law is more liberal than that before martial law--an aberration that foreign observers cannot comprehend.

Anyway, the situation of the dollar on the Polish market, or the widely practiced "dollar game," carries with it many more such paradoxes. We know, for example, that for a long time now the American dollar has been falling on most European markets, to the point that in the last few weeks it has fallen to below two West German marks. Only in one country in the world does the dollar remain strong, and is even moving upwards, and that, of course, is

Poland. Furthermore, Poland is a country in which no one really knows how much the dollar is really worth. The government officially assesses it at 200 zlotys, the black market puts it at three to four times more, and the weekly VETO predicts that the black-market rate of the dollar will reach 1,000 zlotys. This disparity between the views of the government and the black-marketeers is only ostensible, however, because it is the government which really sets the black-market rate (to a certain limit, at least), namely by the price of vodka in PEWEX. When a half-liter of vodka in PEWEX costs \$1 and this same alcohol in an ordinary shop costs 600, 700 or more zlotys, then, we know, as a rule, what the rate is.

On the other hand, which is another singularity of our foreign-exchange market, our dollar does not react at all to the fluctuations of the American and world economy, or to global policy. One crash after another may occur on Wall Street, the Japanese yen may go wild, international conferences may succeed or fail, but everything which normally produces convulsions on world markets is accepted here with stoic calm, on the principle that it does not concern us at all. It simply does not affect our game with the "green." From this standpoint, the Polish dollar reminds us of the candles without wicks--from the well-known joke--which were not used for burning but only for buying and selling.

This occurs because our dollar game is as much economic in character as it is psychological. A cab-driver at Okecie airport may refuse to haul a passenger for a 600- or 700-zlotys fare, but he will willingly take him for a dollar. The black-market rate of the dollar is absurd when applied to our restaurant prices, for example, because no where in the world can 5 people eat a good dinner for \$14, yet for 10,000 zlotys this same party can wine and dine at the Forum or Victoria hotel. But it is commonly believed that \$14 is better than 10,000 zlotys. This same conversion produces a paralysis in Polish tourists going abroad: Breakfast for 3,500 zlotys! Dinner for 7,000! Industrial goods brought in from the West and converted into zlotys by the black-market rate, in turn, result in incredible zlotys prices, called "contractual," but which no one entered into any contract for.

The psychological role of the dollar is attributed not just to the search for stability, because the dollar does not fall, particularly in our country, the way our domestic currency does. Nor is it based exclusively on the search for more freedom, i.e., the freedom to travel or to make purchases in the "domestic export." The dollar is a status symbol. Franek Kimono, in one of his songs, wanting to compliment his lady friend, said, "I see that everything you have has been purchased with dollars." This does not mean that the lady had traveled abroad and was a woman of the world. Her fashionable look was the result of one trip to PEWEX, but nevertheless it put her into another prestige class--the dollar class.

In this sense--speaking more seriously--the dollar is a deeply demoralizing factor in our everyday life. It is an instrument of division into better and worse, equal and more equal. It also takes enormous teaching ability to explain to children that they should be proud of our thousand years of history, Boleslaw the Bold, or Bishop Szczepanowski--however you wish--and the

Horedelska Union, when they cannot buy Lego doughnuts or Matchbox toys with domestic currency.

Artur Sandauer, more than 2 years ago, in one of his articles showed the extent to which the dollar has had a corrupting influence on our literature. It has created two circulations and, at the same time, two groups of criteria by which works are judged. We pay in dollars for some works and in zlotys for others, and we do not pay for a real, honest and impartial description of reality in either of these currencies. A writer, sitting down to his desk, knows in advance for whom he is writing, whether for the domestic market or for export (and this export may also be "domestic export", in the form of the so-called "second circulation").

In a completely ludicrous way, literature--as all areas about which I am writing--monopolized by strict state patronage, nevertheless gave a better opportunity to write something real, because everyone tried to get a grain of truth past the official censors guarding the gates to a sole publisher. Now this effort is unnecessary.

My considerations about the dollar, as stated here, are obviously completely abstract and are really more a contribution to the history of customs than a call for any kind of practical action. I would encourage, however, that the dollar be looked upon as still one more--not unimportant--measure of the evolution of our life. We can learn a great deal about ourselves by taking a more careful look at our "dollar game."

I know that there is no lack of people whose solution to all of our problems is to shut down, ban or eliminate. That is their solution to trade and private production, to financial inequality, and doubtless to foreign-exchange policy. It is sometimes said that this expresses justified anger, but I do not understand why this justified anger must also be stupid, as if these angry people do not remember that at one time everything which did not correspond to the doctrinal plan had to be shut down, banned and eliminated--and then we had to face deeper and deeper crises.

All in all, the present "dollar game," with all of its strangeness and its moral side effects--which should not be ignored--is good for all of those involved. It is in the interest of the state treasury, supplying it with free foreign-exchange for the conduct of payment maneuvers with the haste which our circumstances dictate. It lies in the interest of civic freedoms, which even if bought by dollars are freedoms nevertheless. The elimination of anything in this regard would strike a blow at welfare (collective, granted) and freedoms (collective, of course). On the other hand, a real end to the "dollar game" may come about only through universal welfare and the universal freedoms ensuing from it. Unfortunately, regardless from which end we begin, the end point is always the same.

9295

CSO: 2600/154

## SEJM DEPUTY SPEAKS TO REFORM COMMISSION SECRETARIAT

Warsaw RZECZPOSPOLITA in Polish 28 Nov 86 p 2

[Text] The recently keen and unfinished discussion on legislative proposals which would define the functioning of the socialized economy, signalled the need for open talks on the shape of the second stage of reform. And more broadly, on the ways higher management efficiency could be achieved.

Therefore, the Secretariat for the Commission on Economic Reform, together with the chairmen of its groups, began a substantive discussion on 27 November on a concept of reform, different than in the past, developed and presented by deputy Prof Aleksander Legatowicz. The meeting was chaired by the secretary of the reform commission, minister Franciszek Kubiczek.

Professor Legatowicz's concept (for lack of space we will not give details) is based on a proposal to create a mechanism for self-regulation of economic processes and self-motivation of workforces. The concept envisages that the basic measure of evaluation would not be profit, as heretofore, but a relatively simple coefficient relating sales and costs of production in an enterprise. This would create a strong incentive for independently operating enterprises to search for both visible and hidden ways by which efficiency could be improved and to determine the conditions under which the system of wages and prices could be self-regulating while market balance is maintained. Those attending the meeting found the proposals relating to another economic and financial system interesting and they inspired many questions, comments and opinions. Above all, an attempt was made to find relationships between the concept presented and the realities of our economic situation.

The secretariat decided that a further discussion on the substance of the proposals was essential, because regardless of their fate, all concepts for development and improvement of the national management system deserve to be evaluated. At the same time there was an expression of regret that there is no law in our system which allows us to pay tribute for application of experimental methods of management. Professor Legatowicz's proposal, it was said would certainly be worthy of such a test.

We will return to these problems in the REFORMA GOSPODARCZA Supplement.

9295

CSO: 2600/221

## MINISTER FIELDS QUESTIONS, COMPLAINTS FROM DISGRUNTLED CONSUMERS

Warsaw RZECZPOSPOLITA in Polish 18 Dec 86 p 5

[Condensed report of telephone call-in session with Jerzy Jozwiak, minister of domestic trade and services, organized by RZECZPOSPOLITA]

[Excerpts] Despite a gradual improvement in the market, issues concerning supplies in stores and operation of retail trade still arouse much emotion. Retail trade draws a good deal of criticism. Also, many suggestions and proposals are put forth to streamline this important sphere of the economy, the operation of which undoubtedly influences the social mood and the life of everyone of us. The less time we spend shopping and standing in lines, the more of it can we dedicate to the family, recreation and entertainment.

Therefore, it is no accident that we opened a series of call-in sessions by RZECZPOSPOLITA readers to ministers by a meeting with the head of the ministry of retail trade. Last Friday, 12 December, minister Jerzy Jozwiak spent 2 hours discussing matters with our readers, answering questions and listening to remarks. Towards the end of his visit, our guest said: "This time has been well spent. The ministry will take into consideration many of the views aired on the telephone. Many doubts have been dispelled; the readers have received answers, as complete as possible, to the questions they have asked."

We carry below a report on telephone conversations between Minister of Retail Trade Jerzy Jozwiak and RZECZPOSPOLITA readers. We have selected questions which were asked most often. We report primarily on conversations involving broader issues which may interest a greater number of readers.

[J. Jozwiak] Jozwiak speaking.

[Caller] This is Wojciech Romanowicz. Are there any chances that ration cards for chocolate will be abolished anytime soon? When can we expect the end of meat rationing?

[J. Jozwiak] Ration cards for chocolate may be abolished next year. We are preparing additional funds for imports of cocoa beans in order to increase production of these items. Then we will be able to discontinue rationing. As far as meat is concerned, elimination of ration cards will hardly occur next year. Pursuant to the resolution of the 10th PZPR Congress, these cards

should be eliminated before 1990. At present, two teams are working independently of each other, preparing concepts for discontinuing rationing. We are also taking some steps to comply with this decision. Giblets are no longer being rationed; at present, we are considering release of further assortments for regular sale. We have introduced market sales of meat.

Increase of meat production is the main condition for completely eliminating the ration cards. At present, production per capita is well under that in 1979. However, we are registering a continuous upturn in procurement; in the first half of the year, it came up to 25 percent; during 10 months of this year--115 percent. Over all of this year, this statistic should come up to about 114 percent. I believe that an upward trend in procurement at the level of the first months of this year would create the premises for the discontinuation of rationing.

[J. Jozwiak] Good afternoon, Mr. Minister. This is Teodorczuk speaking. I would like to find out why we did not get an extra ration of meat for the holidays?

[J. Jozwiak] In the beginning of this year, we indeed increased card rations for several months. At the time, there were conditions for that, i.e. considerable increases in slaughter cattle procurement. Now the situation has changed. Procurement is not increasing at the same rate. Available stocks did not allow us to increase rations. I do not know whether this has been felt, but we took care to improve the structure of deliveries in the pre-holiday season. The share of processed pork and better grade meat in deliveries is greater. The supply of large poultry is also more favorable. Retail trade offers 40 percent more ducks, turkeys and geese than last year.

[Caller] Here is one more question. Are we going to have more coffee?

[J. Jozwiak] In December, more coffee will reach the stores than during the same period of last year. However, the market has been starved of coffee, because in October and November deliveries were small. As a result, you do not see this coffee on store shelves. It is quickly sold out. We are importing as much as our hard-currency situation permits.

[Caller] Do you, minister, go shopping on Saturdays off?

[J. Jozwiak] Yes, I sometimes do. I would like to tell you that, when I recently visited "Supersam" before 16.00, the line was long indeed, because smaller shops-on-duty close at 13.00 this day.

[Caller] Mr. Minister, unfortunately, lines on Saturday are everywhere and at any time of day. Non-grocery stores are closed altogether. This, however, is the day to do shopping requiring decisions by the entire family, buy furniture, rugs, coats.

[J. Jozwiak] I agree that the system of Saturday operation of retail trade is in need of changes and better adjustment to the requirements of customers. We are "eyeing" this, though there are many factors involved. We are negotiating with the trade unions in the matter. Specific decisions affecting individual

shops are made by the master of the area (governor), but our ministry sets certain general guidelines. This is what we are working on.

[Caller] This is Witkowski speaking. Do you have an effective way to counteract earlier closing of stores, as early as 14.00 or 16.00? After all, some people cannot do their shopping in the morning, whereas, after you quit work, you cannot even buy bread.

[J. Jozwiak] The only way out is to tie wages to turnover. The salaries of salespeople should depend more on the value of goods sold, and, therefore, on the turnover achieved. Salespeople must be interested in working longer hours, e.g. if a colleague is sick.

[Caller] My understanding is that such arrangements are not yet in effect...

[J. Jozwiak] Well, they are, but thus far only in larger stores. We would like to introduce them in all stores.

[Caller] I hope that will happen soon.

[J. Jozwiak] You have reached the RZECZPOSPOLITA number.

[Caller] This is Danuta Musial speaking. Good afternoon. When I shop, I usually see a lot of employees in the stores, but mostly in the background. These are managers, inspectors, auditors etc., whereas there is only one salesperson or checker. In general, my impression is that retail trade employs too many officials and administrators and too few of those who serve the customers. Is certification going to be carried out in retail trade, just as in all other spheres of economic activity?

[J. Jozwiak] Yes. It has already been carried out in 10 units, somewhat experimentally, in order to work out a method for further actions. On the basis of these results, specific guidelines will be set for certification in retail trade enterprises.

By the way, I would like to add that the presence of sales personnel in the back of the store is the result of industry delivering very many items in bulk. These goods have to be packaged at the store. However, it is bad if salespeople sit in the back doing nothing. This is why we are introducing systems of remuneration which closely tie the bonuses, determining the level of wages, to the quantity of goods sold. This gives an employee the incentive to take better care of the customer. Currently, this system is already in effect in larger stores. Their managers have broader authority. Next year, we intend to introduce this system in the remaining stores.

[Caller] Thank you for the explanation. I hope that carrying this plan out will improve the situation we customers are in.

[Caller] Good afternoon. I am calling from Wegrow. I would like to share with you, minister, the following observation. I am beginning to be upset by the affair with model stores. They were supposed to set an example for others, to stand out in the organization of trade and supplies. What I am

seeing now is that these stores are open forcibly. Trade organizations decide ahead of time how many of them must be opened. Soon all shops are going to be model, but only in name. After all, this was not the idea.

[J. Jozwiak] In the ministry, our plan was to set up about 1,500 such stores over 2 years. At present, there are 1,400. They must indeed be exemplary in every aspect.

[Caller] I agree, the plan at the top, in the ministry, makes sense. However, when this goes down the line of authority, everybody tries to outdo others and see who will have more of them. After all, when the director goes to the provincial authorities or the trust, he wants to look good... Unfortunately, such statistics do nothing for the customer.

[J. Jozwiak] Thank you for your remarks. We will also take into account your point of view in analyzing the work of model shops.

[Caller] This is Andrzej Kozlowski speaking. I would like to comment on model shops. The "model" one in my area only differs from others in that they wrap purchases in nice paper. Frequently, there is no cottage cheese; often times, bread is not fresh.

[J. Jozwiak] The concept was for model shops to stand out in the variety of supplies and in service. Managers of these units have broad authority and great autonomy. The mark of a model shop and the corresponding privileges are granted by local authorities. They also can, and even should, take them away if the shop does not comply with the requirements. Feedback from the customers is a basis for such an evaluation.

[J. Jozwiak] Jozwiak on the phone.

[Caller] I live in Ursynow. When we moved into our subdivision, a shop was opened next to our place, much to our delight. For a long time, I did not have to go anywhere with my baby, because in this shop I could buy all the staples. This, however, has changed, as the shop has shifted to sales of meat and processed pork. So, we have to bring home flour, bread and sugar from far away. I believe that this shop should return to the old assortment.

[J. Jozwiak] Our ministry believes--and the guidelines we set provide--that the assortment in the shops of residential areas should be complete wherever possible, i.e. basic, frequently purchased food and non-food items should be carried. "Spolem" is beginning to set up a chain of ABC shops modeled after the Hungarian pattern. However, the specialty of an individual shop is determined by local authorities in agreement with the self-government of residents, along with the trade organization. We take your call to be a report that our guidelines and recommendations are not being followed properly.

[J. Jozwiak] This is Jozwiak speaking.

[Caller] I live in Warsaw, at Ochota and I have the following remark to make. There are fewer and fewer self-service stores. That system, after all,



amounts to time saving when you shop. Why are conventional shops still being built?

[J. Jozwiak] You are reinforcing my belief that I am right in pushing, persistently and resolutely, for this form of service, primarily in grocery, but also in non-food stores--anywhere the available floor space and the kind of merchandise carried will permit this.

[Caller] I am calling from Goclaw subdivision. I buy my groceries in a shop at Wilga Street 2. I have great difficulty buying baked goods after I return from work. Between 15.30 and 17.00 there is no bread at all, and even if there is any, it is so hard that it is inedible. Therefore, I decided to shop in the morning. Today, I went there before going to work. And then what? Bread was hard once again, and Wroclaw rolls were of abysmal quality. What do you think of that? Can this situation be changed?

[J. Jozwiak] I agree that the quality of baked goods supplied to the shops of the capital city is not very high. There are many reasons for that, the main being insufficient production capacity. In its turn, the lack of baked goods in general is the fault of the retail enterprise, of poor work organization. I think that the authorities of the capital city should make a greater effort in developing bakeries. Also, the operation of enterprises which cannot ensure continuous availability of bread in their shops should be subjected to closer scrutiny.

[Caller] I am calling from Katowice province. I am one of the working women. My question is: will the division of our society into the privileged ones and the rest ever come to an end? What I am driving at is the right to make purchases out of turn. I suggest that we restrict such privileges, because those who finish work cannot find anything.

[J. Jozwiak] This is not an easy issue. It should also be considered in terms of morality. We should hear the arguments from both sides; each has its own arguments. Considerably restricting privileges on Saturday is an attempt to find a middle ground.

[Caller] I would suggest that buying out of turn be allowed only until, say, 15.00. In the afternoon, let everybody be equal, including those leaving after a hard day's work.

[J. Jozwiak] I repeat that opinions on this issue differ. Therefore, a good deal of common sense and also of compassion for human misfortunes should be shown. Abuse of privileges is sporadic. I believe that this problem will become less and less irritating as supplies to the market improve further.

[Caller] This is Tadeusz Szoszko speaking. I am 76. I would like to comment on the following problem. Signs in the shops say that an elderly person can make small purchases out of turn. It so happened that I was turned away from the counter and ordered to stand in line. They said: you are an oldster, you can afford to stand in line. Do the salesladies have a right to refuse sales out of line to the elderly?

[J. Jozwiak] Guidelines for service out of line set by the minister are in effect. However, this issue indeed still causes much emotion and many conflicts. We have already addressed them today in the course of our call-in session. In general, retail trade employees comply with the regulations in this matter. However, disgraceful exceptions do happen.

9761

CSO:2600/261

## SOCIOECONOMIC COUNCIL CRITICALLY REVIEWS FIVE-YEAR PLAN

Warsaw ZYCIE GOSPODARCZE in Polish No 46, 16 Nov 86 p 7

[Article by Marzena Kowalska: "More Harmony and Consistency"]

[Text] The deputies' debate, which took place on 23 October, opened the final stage of discussion on the form of the 1986-1990 5-year plan. It included an assessment by the Sejm's Socioeconomic Council. The Council, made up of over 200 members, met for this purpose on 4 November. The result of an almost 7-hour long discussion was the unanimously approved opinion on the draft of the National Socioeconomic Plan for 1986-1990. This 11-page document contains many suggestions, assessments and comments on the Plan's draft. Although the Council had no reservations on the formal part of the document prepared by the Planning Commission and approved its construction and the expanded and concise substantiating material, many comments were made on its substantive content.

On the plus side, the latest draft was described as "constituting a qualitatively good although insufficient change as compared with the June preliminary draft." The good points listed include a correct definition of the goal (to restore to the economy its ability to develop in a balanced way) and economic and social tasks. But according to the Council, the draft is too cautious. Nor is this a draft which will appeal to the public because it proposes that in 1990 the standard will be reached which was in effect at the end of the 1970's. As one of the deputies said, with some simplification, "our distance to the world, measured by per capita national income, will then be calculated in decades."

This is a truly eloquent comment, but a mechanical adding-up of the fleeing years does not have to actually reflect the growing distance. Much depends on correct investment policy and changes in the structure of the economy. But the scope and scale of the plans in this area, which the writers of the draft of the 5-year plan propose, aroused some basic doubts in the Council, with full knowledge, as was stressed, of the existing limitations.

It is true that a greater "determination on the part of the government to reach the established goals" was observed in this version than in the previous one, particularly in the field of structural changes and greater efficiency in utilization of materials resources. But the means by which these goals are to be achieved aroused the special concern of this Council. As was noted, this

determination is revealed in the increased prerogatives of the economic administration at the cost of the economic tools which reform offers.

In the opinion we read: "An examination of the instruments proposed in the plan for the implementation of the plan tends to make one believe that the powers of the central government in managing the economy are growing, and even appear to be too far-reaching. It is one thing to strengthen the role of the government, and another to go beyond its powers."

Confirmation of this point is found in the proposed system for managing capital investments, the government-orders system, the tendency to create centralized funds and in connection with this, the growing financial burden on enterprises, and finally the excessive centralization of systems for directing science. Also, the writers of the draft are accused of lack of clearly defined and effective instruments to resist the monopolization of the economy.

This judgment was based on that portion of the documents presented which concern instruments for implementation of the plan, and the draft law on changes to the law defining the functioning of the socialized economy. As we know, this draft law was submitted to the Sejm as an integral part of the National Socioeconomic Plan (NSP), on which, according to the authors, the successful implementation of the 5-year plan depends.

Just as the deputies (see ZYCIE GOSPODARCZE No 44, 1986), so, too, the members of the Socioeconomic Council, which is an advisory body to the Sejm, did not have time to thoroughly familiarize themselves with this document (it came to the Council officially after 20 October). Therefore, a special meeting of the Council will be devoted to consultation on it in mid-November. This will doubtless be an extremely interesting exchange of opinions, not only about the letter of the law itself but also about its substance. The portent of this was the doubt voiced by the chairman of the Socioeconomic Council, vice-marshall of the Sejm, Mieczyslaw F. Rakowski, as to how much the government draft of the amendment to the law should be treated as an instrument for implementation of the plan, and how much as a proposal modifying the shape of reform. He added elsewhere that a reduction in the powers held by the workers' self-management would mean nothing else but a weakening of the idea of the rule of the people.

Those attending the meeting, understandably, were not prepared for a substantive and deep discussion on this very important subject, which does not mean that it did not come up again and again in the official deliberations and in behind-the-scenes talks during breaks. The chairman of the workers' group preparing the opinion on the plan, Dr Franciszek Gaik from the Academy of Economics in Krakow, at the beginning of the meeting, said that instruments now in effect are sufficient to implement the NSP, and the entire group, in approving the document, agreed with the statement that the draft amendment to the law aims at expanding the direct influence of the central authorities.

The Socioeconomic Council, therefore, had to discuss the draft NSP apart, as the writers of the plan themselves say, from the proposal for the amending of

the law, which is an integrally connected with it. Nevertheless, there was no lack of problems to consider.

Capital investments drew the most attention. Much was said about their structure, sources of financing, and growing needs of the countryside, agriculture, light industry, housing construction, environmental protection, and culture. In listening to the deliberations, the deputy chairman of the Council of Ministers Planning Commission, Jerzy Gwiadzinski, took the comments submitted, as his speech delivered towards the end of the meeting indicated, to be more of a wish list than a proposal to take a slightly different look at the needs of the economy and society, assuring the listeners that all needs had been carefully considered. The Council members thought differently, however, and the main thought which emerged from the speeches and was reflected in the opinions was the need to distribute the emphasis in investment policy somewhat differently.

In that portion of the opinion pertaining to investments and structural changes, the wording of the tasks in the area of investment policy, different from the previous version of the draft, was accepted with approval, i.e., increasing the total amount of investment and share of investment in modernization and regeneration; implementation of endeavors aimed at improving management efficiency and increasing the share of outlays for machines and equipment; improvement in efficiency of investment processes and above all, shortening the cycle and decreasing financial freezing; improving the efficiency of the utilization of fixed assets--in short, everything which is commonly called an increase in efficiency of management. But, as was noted, the basic criterion of investment policy should be considerations of effectiveness, both at the investment stage and during utilization. This, in the opinion of the Council, is the key to the selection of sectors and branches which should be developed as soon as possible, i.e., the key to changes in the structure of the economy.

Meanwhile, as the Council notes, the process of structural changes is proceeding with difficulty, and during the first 2 or 3 years of the 5-year plan, when a large part of the funds will be allocated for continuation of investments already in progress, not much will change. A chance for making basic structural changes, the Council says, will not appear until the last decade of the century, and then only if investment processes are made more efficient. In the meantime, fears as to the ability to make efficient use of the funds allocated in the plan for investment are justified. Again, therefore, the subject of the correlation between a financial plan and a factual plan comes up, or to put it most simply, the implementation of investments without hitches--the reality of the plan.

In the opinion of the Council, the draft reiterates the present philosophy of economic growth based on a growing supply of energy, which is also confirmed by the implemented and planned investment policy. The Council suggests, however, that economic progress occur with a stable or only minimum growth of energy consumption. But in order to reach into the enormous power reserves present in the economy, the structure of investments must be changed and the mechanisms of reform must really be applied.

As was observed: "The list of centrally controlled investments contains no pro-efficiency investments explicitly linked to the program for scientific and technical development. This preserves the structural retardation of the economy." It should be noted that it was precisely this point of the opinion that was put to a vote because Minister Gwiazdzinski expressed a reservation about it. But the Council members did not yield to comments of a methodological nature, citing the significant fact that 49 percent of the funds allocated for industrial investments will go the fuels and energy complex during the 5-year plan, and approved the item mentioned by an overwhelming majority.

But there were also other opinions. Dariusz Spyra remarked, for example, that outlays for this, as provided in the draft plan, constitute scarcely 65 percent of what estimates by the Ministry of Mining and Power Industry say is needed to ensure that the economy has an indispensable 195 million tons of coal in 1990. For coal mining alone, 10 to 20 percent less money is to be allocated than the ministry suggests. But this vote passed without an echo. We know that in the version of the plan now being examined the opinion of mining was considered, and the outlays for this production were increased.

On the other hand, environmental protection had more advocates. The voices of the defenders of the natural environment strengthened the argument that the gradual degradation of the environment must be halted because the large losses incurred from this may be an obstacle to socioeconomic development. The envisaged growth of gas-emission particles to 1.1 million tons by 1990 is unacceptable, the Council stated. Reduction of centrally controlled investments for pollution control and giving them to enterprises and local authorities is wrong, it was said. Particularly, as one of the speakers said, when 1,117 billion zlotys will be allocated for local investments, i.e. about 10 percent of the total investment outlays, an amount representing half of the existing requirements. And after all, these types of investments affect the quality of life, including the realism of the housing construction plan.

A great deal of attention in the opinion was devoted to the latter--housing construction, a problem of extreme social importance. The subject was introduced with the statement that "how this problem is being treated, both in manner and substance, continues to arouse doubts and reservations."

As we know, the latest version of the plan envisages that at the completion of execution of the 5-year plan, 1,150,000 apartments will have been built, i.e., 100,000 more than approved in the previous draft. The writers of the proposal base this assumption in large measure on a 4 percent average annual reduction in the consumption of materials. The questions about the realism of this projection were not surprising, in view of the fact that a 6 to 8.2 percent drop in the materials-intensiveness of the national income in the 5 years was assumed. Therefore, housing construction was supposed to show results several times better than those of other areas of the economy. This is more than can be expected, inasmuch as the method by which housing construction is being financed will increase inflation, according to the Council, and will not halt the possibility of its growth at an increasing rate to 1990.

The opinion also contained the comment that an increase in the people's share

in the cost of building and occupying housing should be accompanied by a considered policy of maintaining the ratio of resultant charges and incomes, at a reasonable level. The Council favored a 75-percent (the second variant) reduction in the amount of subsidies in the entire economy, but several times it was stressed that the materials-production area requires such decisive measures and it is an area which sometimes uses budgetary funds inefficiently. Subsidizing of consumer articles also requires rethinking, so that it does not promote waste or reduce productivity, but that at the same time it does not reduce the standard of living of those on the lowest rung. "Subsidies on consumer goods should be by public choice," said Wojciech Wisniewski who represented the unionists, adding also that the tendency should be to reduce subsidies for institutions and organizations in favor of subsidies on products.

In reference to how the needs of culture should be treated (there was even the comment that this was and still is the most badly prepared section of the draft plan), Jadwiga Kolodziejska expressed a thought which deserves to be quoted here--and may apply not only to culture but also to ecology and housing construction. In her opinion the draft presented is a symptom of anachronistic thinking, separating the material sphere from the nonmaterial sphere, whereas they are more and more mutually interdependent. In other words, there should be more consistency and internal harmony in the plan and in the developmental processes.

This thought, which was expressed in many of the comments, was dealt with briefly by Barbara Koziej-Zukowa. She questioned whether the proposal was internally consistent, whether it took into account the need for consistent development of the key and small-scale industry, the sector producing means of production and consumption, the correlation between the industrial-goods market and the food market, which is so important that, as she said, "we talk about eliminating market gaps but we use aggregate amounts in our planning."

This was not the only voice raising the problems of money-market balance. Our past economic policy in this field, according to Council members, was ineffective and inconsistent because there was no comprehensive analysis of the three inseparably linked elements: supply, demand and prices.

Critical comments were also made regarding the next 5-year plan. At an average annual 2.9 percent growth rate of supply of goods, a 5 to 5.5 percent growth rate of services, and at the same time a 13.4 percent in growth of personal incomes, it appears highly improbable that the market can be balanced and that the envisaged growth of social services, real wages and income from sales of farm products, at a rate higher than the price-growth rate, can be ensured. Price increases thus become a necessity, with which the Council did not even attempt to argue. However, the proposal, made part of the draft of the 5-year plan, that they be made smoothly and not suddenly, was supported. But is this not a delusion, asked Mieczyslaw Krawczykiwicz, when some raw materials, particularly in the power industry, will go up in price several-fold? Furthermore, in his opinion, that part of the plan pertaining to prices omits the question of the price of credit and interest on savings deposits, a question very important from the social and economic standpoint. The wrong policy in this delicate area can lead to panic spending, which would

destroy the market completely.

On the other hand, in the opinion which was accepted the Council was very restrained and less dramatic, although resolute. It contains a significant warning: "In the strategy for balancing the economy there is a prevailing tendency to reduce consumer demand and not increase supply. This tendency promotes lower productivity on the part of the people and passiveness on the part of the enterprises."

And so, as the chairman of the Council, M. F. Rakowski, said so eloquently at the beginning of the meeting when he discussed our sociopolitical problems, "In the next few years will we be bolder than the bold and will we have the audacity to be innovative?"

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CSO: 2600/174



## PLANNER DESCRIBES FOOD INDUSTRY PROSPECTS IN 1987

Warsaw RZECZPOSPOLITA in Polish 28 Nov 86 p 9

[Statement by Jozef Zegar, deputy chairman of the Planning Commission, reported by Ludwik Staszynski]

[Text] Agriculture and the food economy form an important part of the National Annual Plan for 1987. What can the producers and consumers of food expect in 1987? This question was asked by a RZECZPOSPOLITA journalist of the deputy chairman of the Council of Ministers Planning Commission, Jozef Zegar. Here is his answer:

Next year, the second year of the 5-year plan, will be very important in the food complex because it will have a strong effect on the implementation of the goals set for 1986-1990. The 1987 NAP fully complies with the assumptions of the draft National Socioeconomic Plan (NSP) for 1986-1990, which in turn affirm the basic economic principles of the farm policy of the PZPR and the ZSL, which are to maintain permanent profitability of farm production and parity of personal farming and nonfarming incomes.

The primary task of the food economy in 1987 is to better satisfy the needs of the population for food, while at the same time improve the balance of turnovers of farm-food articles in foreign trade.

1986 was a good year in agriculture. There was quite a large growth in crop production, about 4.5 percent, according to preliminary estimates. In formulating tasks for 1987, we approach them in a very measured way, taking into account that such good conditions may not recur. We anticipate that in 1987 farm production will rise 0.5 percent. No increase in crop production is foreseen, but animal production will increase 1.1 percent over that of 1986. Therefore, the growth of total farm production during the first 2 years of the 5-year plan would amount to about 4.5 percent, which more or less corresponds to the lapse of time in the implementation of the draft NSP indicators.

We expect that artificial fertilizers for crops next year will be increased at least 3.3 percent, and nitrogen fertilizers, which are in short supply, will be increased 7 percent. Fertilizers for next year's crops, calculated in nitrogen-potassium-phosphate (in pure ingredient) will amount to 189 kg per 1 hectare of cropland (in 1986 it was 183 kg). We also anticipate that

deliveries of lime fertilizers will be 5.7 percent greater. If the plan is fulfilled, and measures are being taken to even exceed it, in 2 years there would be a real growth in deliveries of lime fertilizers--11 to 12 percent. Most of all, next year deliveries of the most needed and scarce lime-magnesium fertilizers will be increased by over 13 percent.

In 1987 there will also more pesticides--9.2 percent compared with 5.6 percent in 1986. Thus, here too, we see distinct progress, although it is apparent that there is still a shortage. The 1987 NAP anticipates that 125,000 hectares of farm land will be reclaimed (approximately 110,000 in 1986).

Insofar as supplying technical means to agriculture is concerned, progress, on the whole, is slow. But we must remember that thanks to the fact that production of farm machinery and equipment is now covered by operational programs, a distinct improvement has been made in that area in recent years. There will be 1.5 percent more agricultural machines and equipment in 1987, 5.5 percent more spare parts, 6.5 percent more tires, and agriculture will receive 63,500 tractors.

Growth in crop production in 1987 may also be achieved by making changes in the crop structure: More wheat, including high-gluten, barley and triticale. We foresee a 10 percent increase in sugar-beet acreage. Better methods of growing grains, rape, sugar beets and potatoes, on a total of at least 1.2 million hectares, should increase both harvests and yields.

In anticipation of more animal production, we plan to increase deliveries of nutritive fodder almost 9 percent (from 4.5 to 4.9 million tons), including, and this is very important, an almost 50 percent increase in concentrates and high-protein feeds (from 1 to 1.5 million tons). We are trying to maintain favorable trends in hog production. We believe also that the measures now being undertaken will halt the decline in cow herds while at the same time increase milk productivity. Egg production will grow.

The 0.5 percent growth in total farm production and 1.2 percent growth in net final production should enable the food industry to increase food production by 3 percent. Let us add that the larger harvests and food production will not only improve the flow of producer goods on the domestic market, it will also improve the balance of turnovers of farm-food articles from abroad. We envisage a 5.9 percent growth of food exports to socialist countries (360 million rubles) and a retention of the present amount of export to capitalist countries (\$970 million). At the same time an 8.3 percent growth (260 million rubles) in import of farm-food articles from socialist countries is envisaged and a 3 percent (\$990 million) growth in import from capitalist countries. Thus we do not have far to go to achieve a favorable balance of turnovers in farm-food articles with foreign countries--our goal for 1990. In exports of food commodities, fruits and vegetables and their products will play a much larger part.

I would like to emphasize that the Council of Ministers, in approving the 1987 NAP, decided that 50 percent of the revenues from above-plan export of a number of farm-food items will be accumulated in the centralized foreign-exchange fund and appropriated for import of raw and other materials and means

of production for the food economy. Therefore, the above-plan growth of export will serve the food economy.

The many good years in agriculture may be followed by lean years. Being aware of this, the 1987 NAP provides for establishment of a food bank, for which revenues will be accumulated from the above-plan export of animal articles and foreign-exchange funds appropriated for import of grain and feeds if these funds were not utilized in accordance with the appropriation.

In 1987 market deliveries of food (excluding alcohol) will grow 1.9 percent (in 1986 they rose 1.3 percent). This means a more than 6 percent growth in 2 years, which is no small amount. The food market is now one of the most balanced. Consumption of meat and meat products has almost reached the amount envisaged for 1990. During 1987 producers in this field should concentrate on improving the structure and quality of deliveries. Deliveries of vegetable fats will grow over 7 percent, with a slight reduction in butter consumption. In 1986 we will have eaten 8.7 kg of butter per person, more than in many countries, including the highly developed ones. We foresee an over 4 percent growth in consumption of cottage and other cheeses, a 3 percent growth in consumption of fruit and fruit products, and an over 4 percent growth in consumption of sugar and sugar products.

The shape of agriculture and the food economy in the coming years will be decided by investments. The outlays made for this purpose in 1986 and planned for 1987 are a step in the right direction. They mean an acceleration in development of the food industry, which should bring a reduction in raw materials losses. But unfortunately, the results of these investments will not be clearly known until the final years of the current 5-year plan.

In 1987 investments in farming and the food economy will total 452 billion zlotys (in 1984 prices), which will be 22.1 percent of the investment outlays in the national economy. In comparison with 1986, investment outlays for this purpose will grow 2.9 to 4.1 percent. There will be a 5.6 percent increase in investment outlays in those industries which supply agriculture and the food industry with means of production, a 1.0 to 2.6 percent growth in agriculture, and a 9.7 percent growth in the food industry. If the investments planned for 1987 are successfully implemented, we will have achieved a 36 percent advancement in investments anticipated for the entire 5 years--and only 31 percent in the food industry, unfortunately--while 40 percent of the time will have elapsed.

Therefore, actions must be taken to accelerate and even exceed the implementation of investments in the food industry, and what is very important, good preparation must go into the tasks foreseen for the last 3 years of the present 5-year plan.

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## FALSIFICATION OF STATISTICS DESCRIBED, ASSAILED

Warsaw TRYBUNA LUDU in Polish 6 Nov 86 pp 1, 2

[Article by Elzbieta Chmielnicka: "Enough Statistical Creativity"]

[Text] In the Ortal Silk Industry Plants in Lodz, the sums obtained from the liquidation of nonstandard products, which should have been included in the value of sold materials, were deliberately included in the value of sold production. Thus the amount of sold production was overstated in the statistics for 1985 by over 45 million zlotys.

There were also other errors in Ortal, but one in particular. In some reports, measurements were recorded in meters, kilograms, and square meters, while the figures given pertained to kilometers, tons and thousands of square meters. The errors, therefore, were 1,000-fold, and they carried the signatures of the plant management's member-experts.

And in construction? In the Gdansk Industrial Building Enterprise monthly reports on production, employment and wages contained estimated figures which sometimes deviated from documented figures by as much as 6.5 percent. In the same enterprise, stocks of hard coal were deliberately shown as being one-tenth of those actually on hand.

Transport? In State Motor Transport, for example, Commodity-Shipping Department II in Warsaw, in documentation and reports on freight hauled for the Automobile Factory, the nominal carrying capacity of vehicles was given and not the actual load. Commodity tonnage was overstated by 95 percent for the period 14 February to 13 March 1986. In another transport enterprise, in addition to this kind of cheating, larger than actual amounts of consumption of fuel and spare parts (mainly tires) were given.

It is obvious that decisions, particularly those pertaining to the economy, are made on the basis of information on hand. And this information in large measure derives from statistics. Their honesty and correctness are of primary importance in making accurate and effective decisions on improving the economy.

At the instruction of the Council of State, the Supreme Chamber of Control, with the collaboration of the Main Statistical Office, began this year to

inspect the correctness of reports.

That is where the cited examples came from. Data on materials production were checked in 85 percent of the management units in industry, construction and transportation. Not only were accidental errors found, but unfortunately, also deliberate distortions. The falsifications are motivated mainly by immediate benefits.

For example, overstatement of the amount of production improves the ratio governing the wage fund, which is burdened with a tax on above-norm wages. And understatement of stocks was intended to justify larger requirements for raw and other materials, mainly those in scarce supply.

Statistics showing good plant management bring the plant's workforce benefits in the form of bonuses, satisfaction with the high status which the plant enjoys in the ministry, and allocation of raw materials and other means.

It was precisely for these reasons that statistics were deliberately falsified in some management units which were inspected. Nor was there any fear of the plants cooperating with them (dependent upon them?).

For example, Poreba Mechanical Equipment Factory included unfinished products in its finished-production figures, products which had not been sold to anyone. And the "customers" acknowledged receipt and paid for deliveries which they did not actually receive, because Poreba has a monopoly in production of heavy machine tools.

The Party Central Control Commission has already held the managing director of the factory responsible, issuing a reprimand to him in June.

This is not an isolated example. Documents are signed in fear of losing a supplier, a coproducer, or a partner. For a while all is well, but this is only an immediate benefit.

And here is a thought: Is it not precisely these people, those who falsify and those who aid and abet the falsifiers, who yell the loudest at ineffectual management and social decisions, about their negative effects on all of us?

Do they realize how large a part they play in disinforming the decisionmakers? What moral and material damage the falsified reports entail? And not just for now.

Of course, after its inspections the Supreme Chamber of Control made many suggestions, recommending penalties for those guilty of distortions or outright lies in statistics. The punishment takes the form of rebukes, reprimands, deductions from bonuses, firings, and referral of cases to collegial courts. A couple of cases were turned over to the prosecutor.

How does legal doctrine and practice approach the question of statistical manipulation?

The answer to this question can be found in a Supreme Court decision dated November 1978 and in the penal code.

The Supreme Court issued an opinion that persons who by reason of their function practice or tolerate the manipulation of statistics are subject to punishment. The legal qualification stated in Art 266 Sect 1 of the penal code applies.

Punishment? A jail term of 6 months to 5 years. And there is more. Anyone who himself does not falsify a statistical report or instructs anyone else to do so, but uses this report knowing that it is wrong, is subject to the same punishment.

And anyone who falsifies statistical data (or instructs another to do so) and does so deliberately to gain financial benefit, for example, through trickery to obtain a bonus not due him, may be charged with misappropriation of public property.

The examples which I have cited speak for themselves. It would, of course, be wrong to generalize from these types of wrongdoings. But we must realize that every such case, even an occasional one, reflects on everyone. Whitewashes have cost us dearly in the past and there can be no return to these kinds of practices.

And that is why the cases I have described above will be on the calendar of the PZPR Central Auditing Commission, regardless of the punishment provided by law, if party members are in any way involved. There is no forbearance in the party for such persons, and there will not be. The party will put a halt to all falsification and disinformation in reporting.

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## SMALL-SCALE MANUFACTURING TRADE FAIR ASSESSED

Warsaw RYNKI ZAGRANICZNE in Polish No 131-132, 3, 5 Nov 86 p 8

[Article by Stefania Parkola: "Coproduction '86---Ideas Urgently Sought"]

[Text] Probably more doubts and reservations have already arisen around this fair, which took place (20-25 October) for scarcely the third time, than perhaps around any in the history of the Poznan International Fair (PIF). Are small-scale manufacturing fairs, with a coproduction theme, necessary, or are they not very useful in their present form? Does the formula being applied deserve to be continued or should it be changed? Changed to a self-dependent fair or to one combined with another, more popular one? To be held at this same time, or at a different time?

The trade organizers have to reply to these questions now, after one more "Coproduction" fair has taken place, because the 3 years of accumulated experience allows us to draw some concrete conclusions.

The most striking feature of this fair so far is

The Absence of a Keynote

All of its other faults are the logical consequence of this lack of a central idea.

As planned, the exposition was supposed to promote and stimulate small-scale manufacture and the establishment and expansion of production-trade cooperation with foreign partners as well as with our key domestic industry. Both of these goals were to be achieved through coproduction, which is why the fairs were so named. But the problem is that a coproduction offer cannot adapt itself very easily to fair requirements, because parts and subassemblies are simply not very interesting to look at.

When the exposition was being planned, therefore, different tendencies were voiced by the particular exhibitors, regardless of the subsector. Some presented finished products as their export offer, others displayed various parts and details, and still others looked upon the fair as a place to show their ability and readiness to adapt themselves to the needs of a potential partner. There were also booths, such as that of the Chamber of Crafts in

Kielce, which did not contain many exhibits but used display panels to describe what they could offer and to whom.

As a result of this diversity, the entire exposition was basically not very clear and caused one to question what it was really all about. But the Building Crafts Exhibit, which assembled over 400 models from this subsector and in a very clear manner displayed the production and service capabilities of crafts for construction, was an exception.

In addition to the uncertainty as to what to exhibit and how to exhibit it, there was no clear definition as to who was to take part in the fairs. Is this supposed to be a pro-export display for small-scale manufacture, a counterpart of Polish Furniture, for example, as the actual event seemed to indicate, or are these really international fairs attracting a large number of foreign exhibitors, something on the order of MIDEST on a smaller scale. The organizational efforts to draw as many foreign participants as possible suggests that the second concept is the correct one. The PIF board even offered them free exhibit space.

As a result 26 exhibitors came to Poznan this year from 11 countries, including two socialist countries--Czechoslovakia and Hungary. Most of them set up information booths and a few made a concrete trade offer or sought coproducers to manufacture specific products. It should be added that the lively interest in our markets shown by manufacturers from the FRG was again affirmed, because most of the firms were from that country--eight of them.

The continuing low involvement of foreign exhibitors indicates the uncertainty as to the character of the fair. It appears that we have not yet clearly defined our area of interest: Are we interested in foreign subcontractors and small-scale manufacturers making their own offers, suppliers of equipment and components for Polish small-scale manufacturers, or producers who are seeking subsuppliers or subcontractors in our country to do the finish processing. This, combined with the inability to specifically say what the foreign exhibitors could expect after the fair, was responsible for the randomness of their assortment.

As distinct from the foreign exhibitors, the Polish participants paid for exhibit space according to the rates in effect for the June PIRs. Therefore, for them, the reply to the question whether this is an

#### Expenditure or Investment

for the future was very important. Actually, only the Central Crafts Union, (CCU) whose exhibit covered 12,000 square meters, i.e., two-thirds of the entire floor space, treated "Coproduction '86" as an investment. Its TEI Remex presented a very broad and diverse offer of goods and services in 10 subsectors, worth 8 billion zlotys. It described the capabilities of over 100 crafts cooperatives and private producers in all regions of the country.

In addition to Remex, another 86 cooperatives and five private craftsmen, all belonging to CCU, held space. Although some of the earlier stated



reservations also apply, these exhibits were unquestionably the strongest element of the fairs.

Three "subevents", arranged by three specialized crafts, were an attempt to give some kind of order to the overall improvisation. We are referring to the materials-supply market called "Stocks Indispensable to Industry: Raw Materials and Equipment for Crafts" (66 factories from the key industry took part, including PZPM H.Cegielski, Wola Steel Mill, the Truck Factory in Starachowice, and several branches of Bomis and the District Secondary Raw Materials Enterprise), a coproduction display exhibit called "Looking for a Coproducer," (in which 15 industrial plants participated), and the already-mentioned display of building crafts. However, they were less successful than had been expected.

CCU and Remex had great hopes in the fairs and worked hard to obtain partners for talks. Over 2,000 invitations were sent to present and potential clients in different countries, and many of the firms replied favorably. Advantage was also taken of the intervention of Polish trade representatives abroad and in Poland, thanks to which it was possible to establish many new contacts. The Remex representatives said that often this was the only information which some of the addressees received.

CCU, although it dominated, was not the only Polish exhibitor. The Central Union of Labor Cooperatives (CULC) which represents 1,900 socialized cooperatives, had an information booth. The Central Union of Disabled Persons Cooperative, comprised of 40 organizations, prepared a small display of rehabilitation equipment, work clothing, and leather and knit products. And the Central Union of Blind Persons Cooperatives, which represents 32 cooperatives, showed brush, electrical, metal and knit products.

The question is, why was the participation of these unions, which represent a large production and service potential and those interested in working together with the key industry in Poland as well as with people abroad, so small. The basic reason was the large costs and the lack of concrete results in past years. CULC, for example, both last year and 2 years ago, had a large (2,000 square meters) exhibit. During those 2 years a great deal of money was invested, and the transactions which resulted from these exhibits could have been made just as easily in Warsaw or at other events in which these organizations take part. This is another proof of the present reserves: The unions named take part every year in the June PIF, in the Polagra fairs where they display work clothing and other products for agriculture, and also, with a complete offer, in domestic fairs in September.

Therefore, they do not feel it is advisable to exhibit more than is necessary, especially since all of this costs money. As far as "Coproduction" is concerned, they say that the lack of concrete information about who will be at the fairs and what can be accomplished there makes it difficult for them to get backing from foreign customers as well as their own members to exhibit at the fairs. After all, the point is to establish new contacts, not to deal with existing contacts. As a result, the decision was made to take part officially but at the least possible cost.

Foreign small-scale production enterprises also demonstrated restraint and a wait-and-see attitude. Of the 700 such enterprises in Poland, scarcely 10 of them came to Poznan. It is generally believed that these firms know how to count and so their absence is quite symptomatic.

### "The Simplest Way to Enter This Market"

--that is how PIF, through its foreign coworkers, advertised the "Coproduction '86" fair in Great Britain, for example. Over 16,000 letters of information and invitation were sent. As a result, almost 100 firms and economic organizations from both payments areas [socialist and capitalist] sent their representatives to visit the fair and hold talks. Perhaps next year they will take part, as, for example, visitors from the bordering USSR republics and craftsmen from the union in the Wittenberg region in the FRG promised.

But the domestic participants often expressed the opinion that the promotion was not aggressive enough and that the last-minute change in the date of the fair did not give it additional importance. The actual date also aroused some reservations--during the period of the greatest number of exhibits throughout the world--which is one of the reasons why there were problems in getting it listed in the international exhibits catalog.

In accordance with the view that all fairs are only a reflection of reality, the lack of strong ties between small-scale manufacture and foreign countries had an important effect on how the fairs proceeded. And the figures really confirm this weakness. Although the share of this sector of the economy in domestic production in 1985 was 11.1 percent (in current prices), its share in foreign-trade turnovers with socialist countries was 2.4 percent, and with capitalist countries barely 0.9 percent, showing a declining tendency in the last 2 years. The structure of export deliveries has not changed for years, and over 70 percent of their value is in various small products, described in the statistics as "other," among which products from light industry dominate.

It is envisaged, however, that during 1986-1990 the share of small-scale manufacture in Polish export will double. In order to achieve this, new institutional measures have been begun, aimed at a change in fiscal policy and at bringing this sector more in line with the operating rules in effect in the key industry. This is another step forward in making it possible for those plants to retain some of the foreign-exchange earned by them and to conduct trade operations directly.

These measures show that the state is interested in having small-scale manufacture become an important partner in foreign economic relations. The "Coproduction" fairs could facilitate and accelerate this process. But if they are to play this role successfully, two basic conditions must be met.

The general goals of the fair have already been established, but how they are to be implemented must be clearly stated and priorities must be fixed. Probably the recently formed, but unfortunately so late, "Coproduction" Fairs Planning Council, will do this.

The second condition relates to more aggressive promotion of this event both here and abroad, not only on the part of its immediate organizers but also by the regional crafts chambers and the exhibitors themselves. Such activities must take place throughout the entire year and must be supported by specifics, such as a catalog of coproduction offers made by all fair participants, constantly updated as new offers are submitted.

In discussing the strong and weak points of the recently ended "Coproduction '86 fair, we should not forget that the successes of the old and renown fairs stemmed in large measures from their traditions. But it will take a great deal of effort on the part of everyone concerned to revitalize a new fair. The Poznan small-scale manufacture fairs are now 3 years old and if they are to be continued they should already be emerging from the infancy stage.

We have a large potential in small-scale manufacture but we also have enormous needs both in the area of expansion of domestic ties, which are often a bottleneck in our economy, and in the stimulation of export. Therefore, every opportunity to revitalize coproduction deserves attention. For the "Coproduction" fairs to become such an opportunity, everything necessary to prepare it well should be done.

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CSO: 2600/219

## 'CARPATI' FOREIGN TRADE ENTERPRISE ESTABLISHED

Bucharest BULETINUL OFICIAL in Romanian Part I No 79, 25 Dec 86 pp 1, 2

[Council of State Decree on the Establishment of the "Carpati" Foreign Trade Enterprise]

[Text] The Council of State of the Socialist Republic of Romania decrees:

Article 1--As of 1 January 1987, the "Carpati" Foreign Trade Enterprise is established, with headquarters in Bucharest Municipality, subordinate to the "Carpati" Central Economic Office, having as the purpose of its activity the carrying out of export operations, international economic cooperation, hard currency commercial operations, and other foreign trade activities, in accordance with Attachment No 1. (Footnote) (The attachment is being transmitted to the institutions concerned)

Article 2--The supply of goods belonging to the "Carpati" Foreign Trade Enterprise will be, for the most part, products for export produced by the units of the "Carpati" Central Economic Office.

Article 3--At the beginning of each year, the Council of Ministers will distribute to the "Carpati" Foreign Trade Enterprise the supply of goods specified in the export provisions in the single national plan for economic and social development.

Article 4--The export, import and cooperation operations of the "Carpati" Foreign Trade Enterprise will be carried out on its own or in collaboration with foreign trade enterprises specializing in carrying out operations related to the object of its activity.

Article 5--The money received, in hard currency, by the "Carpati" Foreign Trade Enterprise will be kept in a special account in the Romanian Foreign Trade Bank and will be used for the purposes determined by the "Carpati" Central Economic Office.

Article 6--The results of the activity of the enterprise in the area of contracting for and carrying out the export of goods will be reported, on a monthly basis, to the Ministry of Foreign Trade and International Economic Cooperation so they can be included in the reports for the entire economy.

Article 7--The "Carpati" Foreign Trade Enterprise is organized on the basis of worker self-management and economic-financial and hard currency self-administration. It is a juridical entity and operates in accordance with legal provisions on the organization and management of state socialist units and the unitary structural norms approved for foreign trade activity.

Article 8--The specific norms dealing with the activity of the "Carpati" Foreign Trade Enterprise are specified in Attachment No 2. (Footnote) (The attachment is being transmitted to the institutions concerned)

Article 9--The "Carpati" Foreign Trade Enterprise is on the Group III branch special organizational level.

The maximum number of positions in the "Carpati" Foreign Trade Enterprise is stipulated in Attachment No 3 (Footnote) (The attachment is being transmitted to the institutions concerned) and is obtained by reassignment, within the framework of the total number of positions belonging to the "Carpati" Central Economic Office and subordinate units.

Article 10--The "Carpati" Foreign Trade Enterprise has a "Dacia 1310" automobile.

Article 11--Attachments 1-3 are an integral part of the present decree.

NICOLAE CEAUSESCU

President of the Socialist Republic of Romania

Bucharest, 24 December 1986

No 420

/6091

CSO: 2700/131

## PROTESTS MOUNT AGAINST PLIGHT OF ROMANIA'S HUNGARIAN MINORITY

Paris LE MONDE in French 31 Dec 86 p 4

[Article by Waltraud Barily, LE MONDE correspondent in Vienna: "Protests Multiply in Budapest Against the Fate of the Hungarian Minority in Romania"]

[Text] Strikes occurred at the beginning of the month of November in many cities in Transylvania following a new decree setting the bread ration at 300 grams per day, as well as a 40 percent reduction in the wages for workers at the Utilaj Greu de Cluj Mechanic Combine, where production fell below the planned figure. Work stoppages also occurred in the towns of Turda, Brasov, Timisoara and Arad, where a large part of the Hungarian minority in Romania lives.

According to reports published in the TRANSYLVANIAN HUNGARIAN PRESS, an underground publication, 25 strikers belonging to the Hungarian minority have disappeared in Cluj, while others were dismissed, in particular from the Tehnofrig food plant in that same town. It was reported that work resumed after food products were delivered to the striking workers.

The policy of forced assimilation, which Hungarian leaders have been denouncing for years, is taking on ever harsher forms in Romania. The Hungarian schools in Transylvania are ever more frequently unable to obtain texts in the Hungarian language or teachers who speak it.

The historic Hungarian monuments, which are numerous in this region, have fallen into neglect. Hungarian books have been removed from the municipal libraries in Brasov and destroyed, and the Protestant parish in the town has had to surrender its precious historic archives, which were transferred to Bucharest.

## Meat and Bread Demanded

Added to these discriminatory measures are the food shortages, which have become the rule and have led to a protest movement which is being manifested increasingly openly. On 1 November last, tracts urging a "revolt against the Ceausescu regime," demanding "meat and bread" and carrying slogans such as "Down with the Ceausescu dictatorship!" were found in Cluj.

Despite the moderation of the official position adopted, Hungarian leaders are increasingly concerned about the fate of their compatriots in Romania, who number between 1,700,000 and 2,000,000. At the opening session of the third assessment meeting of the Conference on Security and Cooperation in Europe (CSCE) in Vienna last 4 November, Peter Varkonyi, the Hungarian minister of foreign affairs, emphasized the important role played by ethnic minorities as "bridges" between nations.

Respecting the rule of the game among brotherly communist countries, Varkonyi did not mention Romania specifically, but it is expected in CSCE circles that Hungary will put the problem of the Hungarian minority in that country on the conference table during the closed sessions devoted to the famous "third basket."

#### Frontier Incidents

This problem has already been raised openly in a number of articles published recently in the Hungarian press. NEPSZABADSAG, the organ of the Hungarian party, while condemning the "accusations motivated by evil intentions" made by the opposition, which charges that the regime in Budapest is failing to defend the rights of the Hungarian minority in Romania, also noted the "worrisome delays" in meeting the commitments made by Romania regarding the minorities, and the "differences of views" between Budapest and Bucharest on this subject.

Radio Budapest reported incidents on the Hungarian-Romanian frontier in early November, in which the victims were Hungarians who wanted to visit relatives in Transylvania. A wait of between 10 and 12 hours at the frontier was the rule.

The Protestant churches in Hungary published a joint declaration before Christmas expressing "their concern" about the Hungarians living in Romania. They referred to "unfavorable reports" and "distressing events in a neighboring country which is linked with Hungary by centuries of history." The Catholic church in Hungary is reported to be considering publishing a New Year's message also referring to this problem.

The publication of a history of Transylvania by a team of Hungarian historians under the direction of Bela Koepeczi, the minister of culture, might further fuel the fire. The first edition ran to 40,000 copies, and in view of the tremendous interest this issue has aroused in Hungary, it is likely to sell out quickly.

A clash is developing between Belgrade and Bucharest, moreover, on the subject of the Serbian and Croatian minorities, which are also threatened by forced assimilation in Romania. The Yugoslav press has recently published a number of articles harshly criticizing the conditions under which the Serbian minority, which includes some 80,000 persons, lives. The vast majority of these people reside in the Danube delta.

5157

CSO:2900/5

## BASHKIMI COMMENTS ON U.S. ARMS SALES TO IRAN

AU061615 Tirana ATA in English 1006 GMT 6 Dec 86

["Continuity of Watergates"--ATA headline]

[Text] Tirana, December 6 (ATA)--As it comes out from the latest reports of the press and news agencies, the Reagan administration has been plunged into disarray because of the great proportions of the U.S. arms sales to Iran, writes Napoleon Roshi in the newspaper BASHKIMI.

The newly publicized facts show that the Reagan administration has concealed the proportions of the arms sales, the way they were channeled through, and the use of the funds to finance the Somoza bands in CIA's intervention against Nicaragua.

They testify to the continuity of the Watergate-type scandals, which are in essence integral parts of the American Administration and the American "democracy" itself.

The sales of large arms quantities to Iran and the recent reports in the Lebanese press that the U.S.A. is ready to sell large quantities of arms to Iraq "to restore the equilibrium," are clear evidence of the fact that the regional conflicts, in this case the Iraq-Iran conflict, are incited by world imperialism. At a time when the American, Soviet weapons, etc., are destroying the cities of these two countries and when thousands of their sons are being killed in a war which is neither in the interest of Iraq nor in that of Iran, the imperialist merchants of the death are reaping colossal profits. Under the pretext of "the equilibrium," they extend the proportions of this trade, just as they intensify their efforts to reap greater political, economic and strategic profits to the detriment of the freedom and sovereignty of other countries and peoples.

/8309

CSO: 2020/48



## NEXHMIJE HOXHA ADDRESSES FRONT

AU131714 Tirana ATA in English 1014 GMT 13 Dec 86

["From the Report on the Tasks of the Democratic Front of Albania to Carry Into Life the Historic Decisions of the 9th Congress of the Party and for the New Elections of the Deputies to the People's Assembly Delivered by Comrade Nexhmiye Hoxha"--ATA headline]

[Text] Tirana, December 13 (ATA)--Only one month has elapsed since the 9th congress of the party successfully wound up its proceedings. This congress will remain in the history of our party and people as a great event, as for the important problems tackled with and analyzed, its high political and ideological level, the magnificent targets it set, the broad perspectives it opened. It was a new expression of the party-people unity, solemn affirmation of the determination to apply and defend consistently the line of the party. For all these, the 9th congress of the party will remain the congress of continuity on the Marxist-Leninist road of the party, on the road designed and led by our unforgettable Comrade Enver Hoxha, Comrade Nexhmiye Hoxha said among others.

The report Comrade Ramiz Alia submitted to the 9th congress of the party, the lessons and tasks drawn from it, are a great source of inspiration for our organization, a reference point for the present and the future. They will make our organization to work better in order to realise its noble and lofty mission, to steel the unity of the people, its unity round the party, to preserve and strengthen the people's power.

The steel unity of the people round the party, forged by the party and Comrade Enver Hoxha in the heroic National Liberation War, in the process of the great socialist transformations is in the foundations of our people's power, of the freedom and independence of the homeland, making them more solid.

Unity in our country has been manifested in every situation our country has experienced, however difficult it might have been. This expression is the powerful mobilization of the broad masses of the people, the spirit of action and initiative that characterizes them to carry into effect the decisions of the 9th congress of the party. Through their explanatory work, through the example

of their activists, the Democratic Front organizations work to further strengthen the unity of the people round the party, the militant alliance between the working class and the cooperativist peasantry, the struggle against the savage imperialist-revisionist blockade.

The education of our men, particularly of the younger generation with the patriotic and revolutionary traditions of our people, she said further on, has always been an important target of the work of the Democratic Front of Albania.

Together with the other mass organisations and with the veterans, the organisations of the Democratic Front, in the future too will attach a special attention to the education of the working people, of the youth in particular, with the traditions of the socialist labour, to inculcate in them the feeling of socialist patriotism and to perfect it as a great mobilising and inspiring force for the realisation of the tasks.

The major objectives of the 8th Five-Year Plan, as the congress underlined, will be realised as until now, by applying resolutely the great Marxist-Leninist principle of relying on our own forces. The realisation of this principle by the party have guaranteed to us the freedom, political and economic independence, the all-sided development of the country. Our people are masters of their country, they are free and independent and have never allowed and will never allow that foreign powers dictate their will upon them. This has become possible because all our economic and social development is based on the wise and farsighted policy of the party, the mental and physical potential of our working people, on our assets and underground resources, on the inner financial and currency sources.

The establishment of the people's power by our people through great struggle and sacrifices, is the most decisive victory of all their history, Comrade Nexhmije Hoxha said further on. The socialist state is the most powerful arm in the hands of our party and people for the construction of socialism, to carry ahead the triumphant revolution in all the fields, for the defence of the social order and the homeland from any danger. Therefore, its preservation, consolidation and continuous and all-sided perfection has been and is in the center of the attention of our organisation.

The broad and active participation of the masses in solving the problems preoccupying the power, is an expression of our socialist democracy, is indispensable need and condition to preserve and strengthen the people's power, an inner law of the development of our socialist society.

Our party and people, she said further on, have never considered the construction of socialism in our country detached from the developments of international situations. Loyally following the teachings of Comrade Enver Hoxha, the Albanian people have taken an active part in the present international life, has openly and unhesitatingly expressed just stands for the problems preoccupying mankind.

The Democratic Front of Albania has always unreservedly supported the foreign policy of the party and state, their stands towards all the problems of the present world development. It supports the wise policy of good neighbourliness and the normal relations with all those states that wish socialist Albania good.

In conclusion Comrade Nexhmije Hoxha said:

The General Council of the Democratic Front of Albania expresses its conviction that as always, the February 1 elections to the People's Assembly will be another brilliant manifestation of the party-people unbreakable unity, that all the electors will go to the polls and will vote for the candidates of the Democratic Front. A guarantee to crown this campaign with success and for the forward march to apply the decisions of the 9th congress, are the correct and farsighted leadership of the party, its Central Committee with Comrade Ramiz Alia at the head, the ardent patriotism and determination of the working masses to march courageously on the road of Enver Hoxha, on the brilliant road of socialism.

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CSO: 2020/48

## LUIS ECHEVERRIA VISITS COUNTRY

Kruje, Durres, Tirana

AU191539 Tirana ATA in English 0945 GMT 19 Dec 86

[Text] Tirana, December 19 (ATA)--The outstanding Mexican personality Luis Echeverria, former president of the United States of Mexico and now president and director general of the Center of Economic and Social Studies and the persons accompanying him, visited the Higher Institute of Agriculture and the "Ylli i Kuq" Agricultural Enterprise in Kamez, where they got acquainted with the work done to train the higher specialists of agriculture and in the sector of livestock.

Likewise, they visited the town of Kruje. At the "Gjergj Kastrioti-Scanderbeg" National Museum, they are received by the chairman of the Executive Committee of the District People's Council, Irakli Vero. During this visit Luis Echeverria said that this museum which arouses profound emotions is a vivid testimony to the continuous struggles of the Albanian people for freedom and independence. The guest from Mexico also visited the ancient amphitheatre in the city of Durres. In his honor the chairman of the Executive Committee of the District People's Council, Isak Shehu, gave a luncheon which passed in a warm and friendly atmosphere.

In the afternoon, during his visit to the Museum of National History, in the capital, Luis Echeverria said: "This magnificent museum reflects the brilliant, and patriotic history of the noble people of Albania."

In the evening Luis Echeverria, former president of Mexico, and the persons accompanying him attended a concert given by the Ensemble of Folk Songs and Dances at the Opera and Ballet Theater. The concert was also attended by the minister of education and culture, Tefta Cami; the chairman of the Executive Committee of Tirana District People's Council; Llambi Gegprifti; the chairman of the Albanian Committee for Cultural and Friendly Relations With Foreign Countries, Jorgo Melica; the chairman of the Albanian Writers' and Artists' League, Dritero Agolli and others.

During these visits the former president of Mexico, Luis Echeverria was accompanied by the vice director of the Institute of Studies on International Relations, Vladimir Prela.

## Visits to Lushnje, Berat

AU201713 Tirana ATA in English 1100 GMT 20 Dec 86

[Text] Tirana, December 20 (ATA)--The outstanding Mexican personality, Luis Echeverria, former president of the United States of Mexico and now president and director general of the Center of Economic and Social Studies, and the persons accompanying him paid visits to the districts of Lushnje and Berat, on December 19.

At the higher type cooperative of Krutje, in Lushnje, he was received by the chairman of the Executive Committee of the District People's Council, Gjergji Velo, and the chairman of this cooperative, Shahin Sulko. Here, the friend from Mexico got acquainted with the successful road of the all-sided economic and social development of this cooperative. Likewise, he visited the museum of the village and went to cooperativists' families and attended the training of the volleyball players of Krutje. "Here," Luis Echeverria said, "we saw a picture of the creative work, the joy and optimism, where everything is beautiful. I express my profound and friendly wishes to the cooperative of Krutje for ever greater successes."

In the museum city of Berat, the outstanding Mexican personality, Luis Echeverria, was received by the chairman of the Executive Committee of the District People's Council, Kristaq Kule. He visited the hall where the first democratic government of Albania was founded as well as the "Onufri" Museum.

In his honour, the chairman of the Executive Committee of the District People's Council, Kristaq Kule, gave a luncheon.

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ALBANIAN LEADERS THANK ROMANIANS FOR GREETINGS

AU181025 Bucharest SCINTEIA in Romanian 17 Dec 86 p 5

[Message from Albanian leaders Ramiz Alia, chairman of the Presidium of the People's Assembly, and Adil Carcani, chairman of the Council of Ministers, to Romanian counterparts, President Nicolae Ceausescu and Premier Constantin Dascalescu]

[Text] To Nicolae Ceausescu, president of the SR of Romania and to Constantin Dascalescu, prime minister of the Government of the SR of Romania

We express our sincere thanks for the greetings you conveyed to us on the occasion of our national day.

We take this opportunity to convey our wishes for happiness to the Romanian people and for the development of the traditional relations between the two countries.

Ramiz Alia, chairman of the Presidium of the People's Assembly of the People's Socialist Republic of Albania

Adil Carcani, chairman of the Council of Ministers of the People's Socialist Republic of Albania.

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CSO: 2020/48

## DEMOCRATIC FRONT GENERAL COUNCIL MEETS

AU131710 Tirana ATA in English 1008 GMT 13 Dec 86

[Text] Tirana, December 13 (ATA)--The meeting of the General Council of the Democratic Front of Albania was held at the hall of Museum of National History in the capital on December 12 before noon. Those present burst out into applause when the first secretary of the Central Committee of the party and president of the Presidium of the People's Assembly, Comrade Ramiz Alia, ascended the tribune.

The meeting was declared open by the chairman of the General Council of the Democratic Front of Albania, Nexhmije Hoxha.

Then, Comrade Nexhmije Hoxha read out the report "On the Tasks of the Democratic Front of Albania to Carry Into Effect the Historic Decisions of the 9th Congress of the Party and the New Elections of the Deputies to the People's Assembly."

Contributions were made to the report presented on behalf of the Presidency of the General Council of the Democratic Front of Albania. They pointed out that the members of the Democratic Front far and wide the country, inspired by the report Comrade Ramiz Alia submitted to the 9th congress of the party and the historic decisions of this congress, have raised high the spirit of responsibility, the drive and mobilization at work to successfully fulfill the tasks of this year and of the whole 8th Five-Year Plan. The speakers addressing the meeting expressed the readiness and revolutionary optimism to turn the campaign of new elections for deputies to the People's Assembly into a month of actions and greater achievements in all the fields, to ensure a one hundred percent participation in the voting and casting all the ballots for the candidates of the Democratic Front, expressing in this way the boundless love for the party and the people's power, the determination to march always on the road of Enver Hoxha under the leadership of the party, its Central Committee with Comrade Ramiz Alia at the head.

After the contributions, those present endorsed unanimously the appeal of the General Council of the Democratic Front of Albania addressed to the people on occasion of February 1 elections of deputies to the People's Assembly.

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## DEMOCRATIC FRONT ELECTION APPEAL

AU201808 Tirana DRITA in Albanian 14 Dec 86 pp 1-2

["Appeal of the General Council of the Democratic Front of Albania"]

[Text] Albanian people!

On 1 February 1987, new elections will be held throughout the country for deputies to the People's Assembly. This is the greatest and most important political task after the ninth party congress. With their free votes, our people will once more express their militant unity around our glorious party, their boundless trust in its correct Marxist-Leninist line, their great love for the power of the people, and their determination to defend the homeland and its freedom and independence and to move forward constantly on the brilliant road of socialism.

The report delivered by Comrade Ramiz Alia at the ninth party congress and the historic decisions of this congress opened new prospects and horizons for the nation, raised higher the enthusiasm and mobilization of the working masses, redoubled their strength and energy to successfully confront the major battle of the Eighth 5-Year Plan. Zeal to fulfill and exceed the tasks of the plan at all costs, and unshakable resolution to raise ever higher the name and prestige of our socialist homeland are visible everywhere.

The unanimous approval of the decisions of the ninth party congress by the working class, the cooperativist peasantry, the people's intelligentsia, our armed forces, young people and women, and our whole people, is manifest in our daily labor, and finds concrete expression in the eruption of the great movement of "Standard-Bearers in Implementing the Teachings of Comrade Enver Hoxha, Standard-Bearers in Implementing the Decisions of the Ninth Party Congress."

Our people approach the new elections for the deputies to the People's Assembly proud, joyful, and happy. Through the power of the people, under the farsighted direction of the party, new socialist Albania was born and built from its foundations. Through this people's power, and through great efforts and grueling battles in the class war, we built and consolidated a strong and varied economy, constantly developed culture, art and science, made the defense of the socialist homeland indomitable, and made the life of the people ever more beautiful.



In the years of the people's power, through the teachings of the party and of Comrade Enver Hoxha, our new man was educated and forged—a personality of high ideopolitical caliber, with broad cultural and professional horizons, an active participant in the management of the state and the government of the country, able to honorably perform ever increasing tasks. Under the power of the people, our new man become master of the resources of the nation and of the destiny of his dear homeland; he has banished darkness, ignorance, and religious obscurantism once and for all, he has produced his own steel, fed himself with his own bread, and brought electric light to every home. Socialist Albania is the only country which is building socialism entirely through its own resources, without taking credits from anybody, and with debts to nobody; it is a country without taxes, without inflation and unemployment, a country with free education and health services.

With the implementation of the directives of the ninth party congress, our life will become even more beautiful, and socialist Albania will be raised to new heights. The new 5-year plan represents a great program of tasks. It will be fulfilled through our own resources, and will ensure the constant, stable, and fast development of the economy and of culture, further perfecting socialist relations in production; it will increase the material prosperity and cultural level of the working masses. With the new 5-year plan, Albania takes a great step forward on the road of transformation into an industrial-agricultural country, which represents a more advanced stage in the creation of the material-technical base for socialism. Let the election campaign of the People's Assembly deputies serve to further raise mobilization and zeal in labor, and the revolutionary spirit of the working masses for the successful performance of the tasks set forth by the ninth party congress.

Voters!

In voting for the deputies of the People's Assembly, for the highest body that expresses the will and sovereignty of the people, we are voting for the strengthening and further forging of the people's power. Our votes in these elections will further cement the foundations of the power of the people, which we have won with blood and great sacrifices, which we have built with the sweat of our brows, and through countless difficulties. Our votes will be the guarantee that we will keep close to our hearts everything which we have achieved, to keep Albania always strong, an Albania which will endure and advance down the centuries.

It is our people's power which realizes the lofty aspirations of the people for equality and social rights, which is the defender of democratic and civil rights, which is the representative of national interests and a decisive political and organizational factor in advancing on the road of socialism. And so let us always maintain its strength, keep it always unstained by any bureaucratic distortion or liberal influence, by constantly increasing the interest and participation of the broad working masses in the work of the state and government of the country, through broadening and strengthening socialist democracy.

With our free votes, let us elect to this high state body the finest sons of the people, the most dedicated, those who are distinguished as persons of labor and revolutionary thinking and action, those who are distinguished for their political and social activity, those who are militants in the vanguard ranks of implementing the line of the party, and of the defense of the great interests of the state and the people. Let us elect to this high body people of broad political and cultural horizons, who enjoy the trust of the people, who do not flinch when faced with difficulties, but are victorious over everything through their revolutionary determination, consistently waging the class struggle and always militantly active as revolutionaries.

Comrade workers, the courageous objectives we have set ourselves demand that the working class, as the leading class in society, stands always firm in the van of labor, constantly increasing its efforts to politically and ideologically educate and forge itself, to raise its educational, cultural, technical and professional level, to inspire emulation, and to deepen the technical-scientific revolution. The success of the elections of deputies to the People's Assembly is and will be a success due to the class in power. So, comrade workers, raise higher your spirit of militancy and enthusiasm for the offense, your mass actions and revolutionary movements to fulfill and exceed the state plans, to increase the efficiency of the economy, to reduced norms in the use of raw materials and semi-finished products, electrical energy and fuel, to further boost exports and reduce imports, to increase labor productivity and quality of production! Further tighten worker control and proletarian discipline at work, and stand in the front ranks of the struggle against signs of bureaucratism, liberalism, and every other alien manifestation which stands in the way of progress!

Comrade cooperativists, fight to bring to life the 5-year plan directives, which give priority to the further development of life in the countryside, the consolidation of the cooperativist system, and the growth of agricultural production, in both intensive and extensive ways. As the ninth party congress instructed, fulfill the tasks entrusted to you every day, publicize further the progressive experience of many collectives throughout the country, and follow their example in obtaining higher yields of cereal, industrial crops, fruit and vegetables, and especially dairy produce, to provide a constantly better supply of all kinds of food products for the people.

Our young people have hurled themselves into the campaign on every front of labor and education to promote the socialist construction of the country, to temper themselves politically, ideologically, morally and physically, to raise higher the patriotic and revolutionary traditions of our people. This is what the homeland always requires of young people, that they should be in the van of struggle and labor for the construction and defense of socialism, irreconcilable to anything which conflicts with the communist morality and world-view, with the values of society and the laws of the state. Young men and women of Albania, with the knowledge, culture, and science with which the party has supplied you, be fiery militants for things new and progressive

in work, life, society, and everywhere. Let the election campaign be a school where you will learn how to participate more energetically in issues concerning the people's power, and a period during which the labor and mass actions which the party has entrusted to you will erupt with renewed force.

The teachings of the party and of Comrade Enver Hoxha have elevated the role and the authority of Albanian women to a place of honor. Their contribution to production and education, to the democratization of family relations, the raising and education of children, and in every sphere of life, is ever more present and active. Women and girls of Albania, vote at the elections of deputies for further emancipation for yourselves and the whole of society. Vote for the power of the people, which has opened all doors to you, and has created all the preconditions for your worthily militant participation in the whole economic, political, and social life of the country.

The vigorous development of our country demands of all the working masses, and particularly our people's intelligentsia, greater efforts to expand their knowledge, to master new developments and contemporary science, to bring the technical-scientific revolution to the masses to the benefit of the development of the economy, education, culture and science.

Considering as always the defense of the homeland a duty before all others, and something sacred for every citizen, let our armed forces, and all our armed people, master and implement as well as possible our Military Art of People's Warfare. Let us always practice intensively and to a high standard, let us raise our combat readiness and always be vigilant and on the alert to confront whatever enemy dares to touch our people's socialist republic.

Let the campaign for the election of deputies to the People's Assembly serve as a major mass action to crown with success the tasks of the first year of the 5-year period, and to begin well, with vigor and fresh achievements, the second year of the whole 5-year period.

Members of the Democratic Front!

Indomitable party-people unity has been and remains one of the pillars of the people's power and of socialism in Albania. As the ninth party congress stressed, "Albania's strength lies in its people, and the strength of the people in their unity, and their unity around the party."

This living and wonderful reality, the guarantee for all the great tasks we have taken upon ourselves, is manifest every day and at every moment in the labor and struggle which is waged for the construction of socialism and the defense of the homeland. At the foundations of our unity lies the alliance of the working class with the cooperativist peasantry, and the common political, ideological, and economic interests of the working masses. Let us work tirelessly, in town and country, in every workers' collective and down to every family, to constantly strengthen our militant unity, and to have harmony among ourselves, a feeling of solidarity and a lofty spirit of collectivism.

The mobilization and great zeal of the masses, the spirit of mass action that envelops the whole nation, and the faith people have in their own strengths, are an inspiration. Let the activities of the election campaign serve to promote this mobilization and general enthusiasm yet further. Following the example of many collectives throughout the country, who are making their targets higher and bringing forward their deadlines, by working every day as on Enver's Day, and every week as in Enver's Week, let us aim at making every collective a member of the progressive ranks.

Albanian people!

Socialist Albania is a free and sovereign country. The authority and international position of Albania is stronger and higher than ever before. The Albanian people play an active role in today's international life, expressing frankly and unhesitatingly their views on political problems of the times, on issues that preoccupy mankind. They condemn the aggressive war-mongering policy of American imperialism, Soviet social-imperialism, and reaction, colonialism, oppression and capitalist exploitation.

The Albanian people look forward to the future of mankind with optimism, and are convinced that the future belongs to freedom, democracy, progress and socialism. In building and defending socialism in Albania, always standing by peoples who are fighting for freedom and independence, and national and social liberation, they simultaneously perform their internationalist duty.

It is a duty of each one of us to closely follow situations developing in the world and around us, and to respond to them with the greatest possible achievements in the fields of production, education, and defense. Let us always defend with lofty vigilance our victories, the party, and the people's power.

Members of the Democratic Front, voters!

In order, as always, to crown with success the new elections for the deputies of the People's Assembly, the General Council of the Democratic Front of Albania calls upon you, all together, as in a single body, in steel-forged unity around the party, to take part in the polls and vote for the candidates of the Democratic Front. Let us turn the 1 February elections into another demonstration of the people's boundless love for the party and the people's power, of their determination always to go forward on our brilliant Marxist-Leninist road, the road of Enver.

Everybody to the polls, every vote for the candidates of the Democratic Front!

Long live the Albanian people and their steel-forged unity around the party!

Long live the AWP, and its Central Committee with Comrade Ramiz Alia at its head!

Eternal glory to the name and brilliant work of Comrade Enver Hoxha!

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CSO: 2020/48

## EMPLOYMENT ENCOURAGED AMONG RURAL WOMEN

AU131845 Tirana BASHKIMI in Albanian 7 Dec 86 p 3

[Article by Feruze Tace: "BASHKIMI in the Family Circle--Confronting a Mistaken Attitude to Work"]

[Excerpt] Some time ago, in a family in the village of Drize in Gramsh District, while talking about the problem of developing the personalities of women in sociopolitical life and the attitude of women comrades in agricultural cooperatives toward work and property, we learned that one of the members of the household did not go out to work.

"Why not," we asked her.

"I am 50 years old and do not go out to work any more," she replied, expressing a feeling also encountered in other villages and areas of our district. It was this attitude which aroused a discussion that evening, and many examples and ideas were put forward criticizing this standpoint.

"I am an old woman now." "I am 50 years old." These were the attitudes which prevented some women cooperativist comrades from giving their help to the progress of tasks in the common economy. Such passivity also influenced their family life, the family income, relations between husband and wife, and so forth. Many social activists of the village and district pledged themselves to work to explain things to these women comrades so that they would come to realize that a socialist attitude to labor demands that they, too, should expend their sweat on the great front of cooperativist production, an important and dynamic front for the further emancipation of women. Careful, patient, and tactful work achieved its aim, and the women comrades who had been missing from the brigades returned again; the occurrences noted above became, and continue to become, rarer in the village and area.

Social activists stopped to concentrate on combating these alien conceptions and attitudes toward labor, since women comrades constitute 48 percent of the labor force of the agricultural cooperatives of the district. And until the problem of women's participation in agricultural and livestock production work is solved, the aim is to increase the effectiveness of their work and to ensure that not a woman cooperativist comrade remains who does not go out to work and fulfill tasks in the field of production.

The great developments which have occurred on every front of our life are reflected in family life, too, and among the masses of women comrades who live and work in the villages, developments in increasing their awareness and their mobilization in labor and in raising their political, ideological, educational, and technical-professional level, etc. Among cooperativist families in Kushove, Darezeze, Gjergjovine, Mashan, and so forth, personal discussions initiated by many social activists have borne fruit. They have given wide publicity to the vanguard example of the women comrades of Vidhan, where there is not a single unjustified absence from work among women, and also the example of the women comrades of Perrenje, where there are not only no absences, but where they are aiming to have every cooperativist woman working between 280 and 300 days each year.

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CSO: 2020/48

## BRIEFS

EARTHQUAKE NEAR ERSEKE--Earthquake tremor in our country. On 7 January 1987, at 0139, our seismological network recorded an earthquake with a magnitude of 4.3, and an intensity at its epicenter of 6 degrees [balle] MSK 64 [Medvedev-Sponhauer-Karnik]. The epicenter of the earthquake was near the town of Erseke. The earthquake tremors were felt in some parts of the districts of Korce, Permet, and Skrapar. As a result of the tremors, there was slight damage to some houses in villages in Kolonje District. Party and state organs have taken steps to normalize the situation. [Text] [Tirana Domestic Service in Albanian 1900 GMT 7 Jan 87] /8309

CSO: 2020/48

## INNER-GERMAN CULTURAL AGREEMENT'S POTENTIAL CRITIQUED

Cologne DEUTSCHLAND ARCHIV in German Vol 19 No 11, Nov 86 (signed to press 27 Oct 86) pp 1165-1168

[Article by Prof Dr Wolfgang Seiffert, former professor of International Business Law and Comparative Law at the GDR Academy for Political Science and Jurisprudence, now on staff at the Christian-Albrecht University in Kiel: "The Two Faces of the Cultural Agreement With the GDR"]

[Text] There should be hardly any doubt that the overwhelming majority of the Germans in the FRG are interested in improvement of the relations with the GDR "for the benefit of the people in both German states"--as it reads in the preamble of the Basic Treaty--and therefore welcomes it when additional treaties according to Article 7 of the Basic Treaty are concluded to develop and foster cooperation in various fields--in this instance, of culture.<sup>1</sup> Such an interest can also be assumed for the majority of Germans in the GDR--for understandable reasons perhaps to an even greater degree. If nonetheless we meet with hardly any spontaneous approval of the published text of the cultural agreement with the GDR<sup>2</sup> in the general public and with skepticism, worry and criticism among competent experts and those directly affected, that may be largely caused by the circumstance that the cultural field is one of the sensitive but few fields in which the nation of the Germans is still so intact and self-evident that even dedicated communists, such as the GDR lyricist Stefan Hermlin, emphatically reject the idea that there are now two German cultures and, e.g., see something new in the GDR literature, something distinct, but after all only a new branch on the same tree of the one German culture.<sup>3</sup> From that aspect it is not only understandable but an expression of the historically developed cultural community when writers like Grass reject the idea that the cultural agreement with the GDR must operate "as between France and the GDR or between Finland and the GDR."<sup>4</sup> To the fear that a cultural agreement could transfer the partition also to culture, unfortunately the worry justified by experience may be added that the GDR will utilize this agreement, too, either one-sidedly as an instrument for implementing its political aims or, where this cannot be achieved or even turns out to the contrary or will limit the possibilities of the agreement, by restrictive interpretation and application. We certainly should not have any



illusions here but should also not overlook that the experiences of the relations also document other factors, positive factors. But generally there is no escaping the knowledge that only practical experience with the cultural agreement will show how sensible it was to conclude it. Along those lines, Peter Jochen Winters is probably correct when he calls the cultural agreement "a hope, no more."<sup>5</sup> Thus general agreement for the cultural agreement with the GDR at any rate cannot be obtained with the agreement as such but only with a practice that shows and convinces that it achieves more latitude in the artistic-cultural life, in the scientific-academic field, in the concern for fostering the common language, literature and science. To achieve this end requires a political and legal interpretation of the cultural agreement with the GDR as a skeleton agreement which makes such a practice possible and actively fosters it.

#### 1. On the Relationship of Culture and Nation

Passionately but in vain Guenter Grass urged that the preamble of the cultural agreement with the GDR include the commitment of both German states to the term of the cultural nation (developed by Herder).<sup>6</sup> Indeed it would have been wise to start from the common German culture; at any rate this would have been more appropriate than the "security partnership" advocated by some. And this would also not have been completely out of the question, as it has frequently been asserted, if only purposeful negotiations with the GDR had been conducted with patience and without time pressure.

The principal significance of such an avowal of the cultural nation is obvious: The common cultural identity, which is based on the common language (national language!) and is its expression, forms an important element of the nation in general and therefore is indispensable.<sup>7</sup> On the other hand, culture is not the first factor of a nation and cultural-national feelings are not binding unless they are made politically topical.<sup>8</sup> This should have actually made it easier for the GDR to agree to some formula of a common culture, particularly since its State Council Chairman and SED General Secretary Erich Honecker himself had noted that there are common factors "that can go a very long way."<sup>9</sup> If the GDR had insisted on adding caveats concerning the ideological delimitation with respect to the common cultural nation, this could have been accepted--it would only have reflected the pluralistic character of the nation. But this discussion was not held. The FRG side did not consider it as promising and the GDR side felt it was much too weak to take up on its part the problem of common cultural factors (and of the cultural heritage, which, after all, has been much discussed in the GDR) and to formulate it in a common treaty text. It is also obvious that there were and are forces within the SED itself who view the problem of the common factors differently than the general secretary and who have difficulties even with the fact of a German-German cultural agreement. Thus in a

brochure by the director of the Leipzig Herder Institute, Erhard Hexelschneider and co-author Erhard Jahn published in 1984 in the SED publishing house with a view to the ongoing negotiations concerning the cultural agreement, culture as a unifying link and the term German cultural nation were rejected as "revanchist."<sup>10</sup> For the FRG it does not require any special proof that despite a broad and divergent spectrum of culture definitions<sup>11</sup> and the avowal of cultural diversity,<sup>12</sup> the culture in both German states has retained its all-German character<sup>13</sup> and in general forms an essential element of the nation.<sup>14</sup> In view of these controversial positions and because the attempt to establish common cultural factors was not seriously pursued by either side, what was involved in the cultural agreement in a certain sense was only a balance of interests, namely between different concepts of the cultural and Germany policy and a different self-image of German culture today. This compromise, which permits each side to base its cultural cooperation on its definition of culture and its aims, should, however, in view of reality have an effect with elementary force in direction of deepening and reviving the common cultural factors with appropriate activity of the artists, writers, scientists, librarians, archivists etc and that applies to both sides. The experiences with class trips and theater travel in the GDR confirm this.

This is probably also the reason why the GDR experiences not only a sense of satisfaction over the fact that the cultural relations with the FRG are formalized by the cultural agreement in the same way as they are with Finland, but also experiences an apprehensive uneasiness and is afraid, e.g., of a cultural institute of the FRG in the GDR according to France's example.<sup>15</sup> However much the relations between FRG and GDR formally are largely adapted to the international relations between foreign states, in essence they are something else nonetheless. But for this reason alone it cannot be expected that the cultural relations will develop smoothly under the agreement. Again there will always be problems and difficulties.

## II. The Cultural Agreement as an Arrangement for Supplementing the Basic Treaty

Nevertheless the cultural agreement is a step forward.<sup>16</sup> That applies especially to its function of supplementing the Basic Treaty in the field of cultural relations.

If we disregard the question here whether or not there are still constitutional rudiments in the relations with the GDR, there is agreement that the rules of international law are applied to these relations. But the international bilateral treaty is the classical means of balancing interest and the essential aspect in this treaty is the mutual commitment effect.<sup>17</sup>

Therefore the commitment effect in relation to the GDR is so important in this "treaty" too. The GDR concluded the treaty not only with the knowledge of the cultural policy aims of the FRG, it also commits itself to a follow-on agreement to the Basic Treaty of which it knows that it is valid for the FRG organs only in the interpretation provided by the Federal Constitutional Court.<sup>18</sup> The judgment of the Federal Constitutional Court indeed does not bind the GDR, but after the conclusion of the cultural agreement it can claim less than ever that commitment and aims of the treaty partner were unknown to it. In this respect the cultural agreement is of special importance. For it is under the follow-on treaties of the first treaty that of course does regulate the overall relationship of both German states to one another within the framework and--as it is expressed in the preamble of the cultural agreement--"on the basis" of the Basic Treaty and by no means as an independent treaty but as an integral component of the treaty as a whole. After the federal government and the Laender have completed their review of the cultural agreement and have approved the treaty, this means that they regard the cultural agreement not only as being in conformance in line with the Basic Treaty but also in accordance with the Basic Law. According to the binding force of the Basic Treaty adjudication of the Federal Constitutional Court, this can only mean it is in accordance with the treaty in the interpretation given by the Federal Constitutional Court to the Basic Treaty. Thus in the question of the relations with the GDR, a binding consensus would be established in a new way between the Federal Government and the Laender, as it had not existed at the time of the conclusion of the Basic Treaty in 1972. But the GDR notwithstanding its legal point of view and its own cultural policy concept cannot object to this position that it is in violation of the treaty if it does not want to violate the principle of bona fides. I regard this as the general clause of the entire agreement whose importance goes far beyond the agreement.

The legal form of the cultural agreement is also not unproblematical. Therefore the second column, on which today's international law rests and which we should use for the interpretation and application of the agreement, is of special importance: the principle of reciprocity.<sup>19</sup> The GDR likes to reserve unilateral freedom of action for itself but wants to commit the other side as much as possible. Thus the ground can be cut overnight from under valid treaties. In this respect in the general reference to domestic law in Article 1 and the special reference in Article 7 of the agreement, what it involved is a blockade instrument as we know from experience with the regulation for the activity of journalists in the GDR. By the way in the cultural agreement with South Africa (terminated in the meantime) it has turned out that the reference to the domestic law was the recognition of apartheid. Aside from the principle of reciprocity only own autonomous regulations (e.g., in the Federal Archives) help against such dangers.

According to the well known Frank Falin formula, the treaty applies to West Berlin (Article 13). What will be decisive here will be the material inclusion. Honecker's statements in DIE ZEIT are no cause for optimism.<sup>20</sup> But the Western powers, too, are challenged here. For the treaty text must be examined and approved as regards its extension to Berlin (West) in view of the latter's special status before the FRG and West Berlin are permitted to put the extension into effect.<sup>21</sup> The question remains open to what extent they also examine in this connection the problem of the inclusion of East Berlin.<sup>22</sup>

Until now at any rate the cultural agreement according to Article 15 did go into effect on 6 May 1986<sup>23</sup> with the exchange of notes that took place on the day of the signing, but thus far it has not been possible to ascertain the extent to which the mentioned conditions for the actual extension to Berlin (West) have been created.<sup>24</sup>

The decisive practical question as regards the intensification as well as the slowing down of the cultural relations will be the two-year work plans according to Article 12, for in this respect the agreement merely forms a framework that is to be put in concrete terms in the work plans. The practice of the GDR--e.g., with Finland<sup>25</sup>--is discouraging. Here the struggle goes on anew every 2 years. It does not look any better for the German-German cultural agreement. Although a "measures plan" was put in effect together with the cultural agreement, but the first two-year work plan is scheduled for 1988/89 and must be negotiated completely anew until then.

In this connection the question arises which are the "competent organs or authorities" in the GDR between which the cooperation concretely takes place. It would be a provocation if on the GDR side the "Center for Cultural Work in Foreign Countries with the Ministry for Culture" were to be involved here, too.<sup>26</sup>

The agreement includes weaknesses and traps also among legal aspects. Nonetheless the practice does not have to be negative.

#### FOOTNOTES

1. Cf. also section II, No. 7 of the supplementary protocol to the Basic Treaty, BGBl (Federal Law Gazette) 1973 II, p 421.
2. The text was first published in the press--and this alone made a public discussion of those directly affected at all possible; cf., e.g., FRANKFURTER ALLGEMEINE of 17 Dec 85, p 4. DIE WELT of 14 Dec 85, p 6; the complete text also reprinted in: DEUTSCHE AUSSENPOLITIK, 2/1986, p 219 ff.; official publication after signing in the BULLETIN DES PRESSE-UND INFORMATIONSAMTES DER BUNDESREGIERUNG of 7 May 86, pp 406-408.

3. Stephan Hermlin in an interview with DEUTSCHLANDFUNK, reprinted in: DEUTSCHE AUSSENPOLITIK, 7/1982, pp 776-780 (779).
4. Cf. Guenter Grass in: RHEINISCHER MERKUR, No. 1/1986 and the answer of Minister Windelen in RHEINISCHER MERKUR, No. 3/1986.
5. In: FRANKFURTER ALLGEMEINE of 18 Dec 85, p 1; cf. also the same: "On the Inner-German Cultural Agreement," in: DEUTSCHE AUSSENPOLITIK, 2/1986, pp 113-117.
6. Cf. footnote 4.
7. Tilman Mayer, "Nation Principle--Dimensions of the National Question by the Example of Germany," Opladen 1986, p 116.
8. Ibid., p 29.
9. Erich Honecker on the Austrian Radio, quoted by Wolfgang Venohr, "35 Years of the GDR and the National Question," in: DEUTSCHE AUSSENPOLITIK, 12/1984, pp 1263-1271 (1271).
10. Erhard Hexelschneider/Erhard John, "Culture as a Unifying Link?--An Examination of the Thesis of the Uniform Cultural Nation" East Berlin, 1984, p 101.
11. Cf. the term "Kultur" in Langenbinder et al. (Editor). "Cultural Policy Dictionary FRG/GDR in Comparison," Stuttgart 1983, pp 345-346.
12. Ibid., p 346.
13. Cf. the term "Nation" ibid., p 531.
14. Ibid., p 530.
15. Cf. DER SPIEGEL, No. 23/1984, p 16.
16. Cf. also Axel Ostrowski, "Despite all Traps, a Step Forward: The Cultural Agreement," in: KIELER NACHRICHTEN of 5 Mar 86, p 3.
17. Thus for the relations with the GDR: Gottfried Zieger, "The Relationship of Both States in Germany to One another Under Aspects of Modern International Law," in: "Germany as a Complete Entity," Cologne 1986, pp 285-298, here p 294.
18. Federal Constitutional Court, Decision 36.

19. Cf. also in this connection G. Zieger "The Relationship of Both...cited" (footnote 17), p 294.
20. Text in: DEUTSCHE AUSSENPOLITIK, 3/1986, p 312 ff.
21. Zuendorf, "East Treaties," p 214.
22. Cf. the reader's letter by Professor Wengler in FRANKFURTER ALLGEMEINE of 13 Jan 86, p 9; the same: "The Validity of Treaties Under International Law of Both German States for West Berlin and East Berlin, in: RECHT IM OST AND WEST, No. 3/1986, pp 149-154.
23. However, there were no reports in the BULLETIN (cf. footnote 2) on the exchange of notes that had taken place. However, cf. the announcement on the entry into force, the text and the protocol notes in BGBl II of 21 Jun 86, No. 20, pp 709-711.
24. The announcement on the entry into force of the treaty in Berlin of 26 Jun 86, GESETZ- UND VERORDNUNGSBLATT für Berlin, No. 36, of 12 Jul 86, p 1004, by itself is not sufficient for this purpose.
25. Cf. in this connection: Peter Luebbe, "The GDR's Cultural Relations With Foreign Countries--The Example of Finland," Bonn 1981.
26. The by-laws of this center are found in: VERFUEGUNGEN UND MITTEILUNGEN DES MINISTERIUMS FUER KULTUR, No. 5/1975, pp 41/42.

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## BARYLA VIEWS CURRENT PZPR TASKS

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[Article by Jozef Baryla, member of the politburo and secretary of the PZPR Central Committee, under the "Following the Course of Party Congresses" rubric: "Boldness in Thought and Deed"]

[Text] Warsaw -- Five months have elapsed since the 10th PZPR Congress. The ideological and political climate which characterized its work persists today in our everyday working lives and in our actions to implement the congress decisions. A concomitant of this climate has been the extensive discussion carried out by Communists at report and election conferences and meetings.

A difficult stage in the life of the party and the country is behind. The program adopted by the congress outlined the long-term plans for developing socialist Poland as it stands on the threshold of the 21st century. Impressive and realistic, they combine boldness in looking forward with a deep understanding of reality. They are characterized chiefly by the PZPR's desire for specificity and efficiency, a general shift toward topical concerns, and accelerated development of the economy, science, technology, education, and culture.

"The crux, the synthesis of what we are bringing away from the 10th Congress," W. Jaruzelski, first secretary of the PZPR Central Committee, said in his concluding speech to the congress, "is the need to achieve efficiency. And our work will be geared precisely to that end."

Those words define the whole of our present activity. The PZPR Central Committee has formulated a detailed plan for implementing the congress decisions. The PZPR Council of State has adopted a special resolution on meeting the targets set by the Congress. The Council of Ministers has, with the participation of the voivodas, discussed the tasks of state administration. The congress' plans will be carried out not only through the efforts of the party itself. The PZPR is pursuing a consistent policy of expanding cooperation with all prosocialist forces, despite the difference in their world view. This demands ideological tempering on the part of Communists, inner cohesion, and loyalty to the principles of Marxism-leninism.

Solving the most difficult problems facing the country requires time, concentration of the necessary resources, and appropriate preparation. However, there are questions which brook no delay. This primarily means improving the work of establishments and enterprises -- trade, consumer services, health-care, and others -- with which people come into daily contact. We have pointed out to party organs and organizations the need for immediate action in these areas and for bold, constructive initiatives.

The PZPR report and election campaign -- from voivodship right down to primary party organization level -- marked an important stage in the consistent implementation of the 10th congress' resolutions. Such campaigns were previously held before congresses. This time the campaign has been held after the congress, becoming a sort of continuation of it. The campaign was essentially a specific phase in translating congress resolutions and the PZPR Program into terms of urgent work to be done. The process embraces all party levels and organizations and all communists. Allied parties, the Patriotic Movement for National Revival, socialist youth unions, trade unions, and public organizations, economic departments, and central and local organs of state administration have all been involved in the implementation of the resolutions adopted by the PZPR's supreme forum.

What, then, are the basic guidelines of party activity since the congress, and what problems is the party focusing its attention on today?

The economy remains the main element. The improvement of people's lives and the solution of many pressing problems depend on its successful development. The 5-year national economic plan was submitted to the Sejm after extensive discussion. Measures to effect the transition to the second phase of economic reform are being introduced. Improvement of the organizational structures of the party, state, and the national economy involving the carrying out of job certification has begun. The team system of labor organization is being gradually applied on the basis of Soviet experience.

We are pinning great hopes on the introduction of the new model of cadre policy in the party and state approved by the 10th PZPR Congress. We are sharpening up the criteria for selection and assessment of leading cadres, proceeding from the principle that the higher the post, the higher should be the qualifications and accountability. We are paying particular attention to ensuring that the recommendations of primary party organizations are taken into account when candidates are nominated for posts of responsibility and that there is periodic assessment of workers' activity.

In resolving the tasks facing us we attach enormous importance to further strengthening fraternal cooperation with the Soviet Union and the other socialist community countries and to deepening economic integration within CEMA. These questions were discussed in lively fashion at report and election conferences and meetings in the context of their multilevel interrelationship with all other problems.



The PZPR is boldly and consistently pursuing the line of further developing socialist democracy and consolidating in social life the principles of the rule of law and social justice. The party is concerned with instilling respect for the law and socialist ethical norms and is engaged in resolutely combating antisocial actions. A national comprehensive plan of measures has been drawn up in this sphere on its initiative. As a result of action by party organizations and organs of people's power, backed up by extensive public support, positive results have already been produced: The rise in the crime rate has been checked and the crime-detection rate has gone up. A broad front to combat antisocial phenomena has been created. We are not, however, satisfied with what we have achieved and we are adopting new measures, first and foremost in spheres such as the fight against drunkenness, alcoholism, parasitism, speculation, and unearned income.

The image of the party as representative and defender of the rights of working people, of social justice, and of morally healthy relations among people is becoming more and more strikingly consolidated in public opinion. The party is acting with ever-increasing efficiency as the vehicle for everything that is innovative and progressive, which was expressed in the 10th congress documents and which is being implemented in party practice and cadre policy. We support bold enterprise and initiative and criticize manifestations of oversimplification and bureaucracy. We are banking above all on people who are creative, socially active, and critically minded and who boldly raise topical problems and seek effective ways of solving them.

Great importance is being attached to improving party work style. The main thing here is to avoid losing touch with working people, to be responsible to their opinion and wishes, and to go thoroughly into all the problems of one's region.

The PZPR slogan "Mindful of the primary party organizations" received a deep response wherever report and election conferences and meetings were held. The report and election campaign was critical, creative, and at the same time professional and workmanlike. These valuable qualities must be developed, since conservatism and fear of innovation still often make their presence felt in our country, bureaucratic barriers are raised, and the so-called "directive syndrome," which is exhibited in people waiting for decisions "from above", is apparent. Criticism and self-criticism, openness, the rejection of bombast, and a creative approach to the problems thrown up by life create the conditions necessary for progress and enable all obstacles to be surmounted.

The congress confirmed the strengthening of the class and worker character of our party. Whereas the Central Committee elected at the 8th PZPR Congress consisted 21 percent of workers while at the 9th congress the proportion had reached 36.5 percent, that figure now stands at 40 percent workers. This healthy trend is strengthening and was confirmed at the time of the party organ elections at every level. They elected the most experienced Communists with long party membership as well as young people who are

distinguished by the breadth of their views, who are full of energy and enthusiasm, enjoy authority among their comrades, and are respected by them. While preserving the basic core a necessary renewal of cadres is also under way. For example, in voivodship organizations comrades elected for the first time constitute almost two-thirds of the total personnel.

Analyzing the congress decisions and the PZPR's postcongress activity, you clearly see that Poland now stands on the great path of developing socialism, the further prospects of which were determined at the 27th CPSU Congress. We are carefully studying the historic documents of the Soviet Communists' forum and their postcongress activity and are utilizing the party of Lenin's wealth of experience in our practice. This course is a natural one, since it stems from the historic mission of the CPSU and the Soviet Union and from the innovatory approach of Soviet Communists to modern problems of developing socialism.

The orientation toward speeding up socioeconomic development, enhancing its efficiency and quality, deepening socialist democracy, and strengthening labor discipline adopted at the 27th CPSU Congress is also our own orientation along the path of socialist renewal of Poland.

"In point of fact we all have the same goal -- the goal of learning, and learning as rapidly as possible, how to make full use of our system's enormous potential," M.S. Gorbachev, general secretary of the CPSU Central Committee, told the 10th PZPR Congress. The coincidence of the basic goals of our party, of the line mapped out by the 10th PZPR Congress, with the historic course of acceleration and restructuring being implemented since the 27th CPSU Congress and with the innovative initiatives of fraternal parties of other socialist countries convinces us of the correctness of our chosen path and gives us strength in the struggle against all the still quite considerable difficulties.

Our relations with the Land of the Soviets are developing unusually dynamically today. In many spheres they are qualitatively new in character. Interparty ties are being realized on a large scale. We exchange experience and jointly study how to draw correct conclusions from what we have done and how to draw up a program for today and to realistically forecast the future. Such an internationalist stance is characteristic of really sincere, proven, and devoted friends.

The joint struggle to achieve peace, eliminate the arms race, and avert nuclear catastrophe firmly bind us together. Poland, having experienced the horrors of the last war, supports in every way the Soviet Union's historic initiatives, which, if implemented, could put an end to the nuclear danger. We are also contributing as much as we are able to the socialist community's peace-loving foreign policy.

We are deeply convinced that we are now entering a qualitatively new phase in developing socialism, a phase which is of determinative significance for the future. The decisions adopted at congresses of fraternal parties and the level of cooperation achieved by them open up new prospects for further all-around development of socialist community states. We pin great hopes on this, regarding our fraternity and unity as a guarantee for successful progress and implementation of the tasks set by the 10th PZPR Congress.

## FIFTH MARTIAL LAW ANNIVERSARY PROVOKES CRITICAL LOOK

Paris LE MONDE in French 2 Dec 86 pp 1, 9

[Article by Jan Krauze; first paragraph is LE MONDE introduction]

[Text] The situation in Poland is uncertain: while the opposition's weapons seem dulled, the government, for its part, does not seem to have a grip on reality. Its plans are coming to a sudden end, and it appears that the future will be burdened with serious difficulties, as the prime minister has just made known at the congress of official unions (see the separate article [not included here]).

Warsaw--After years of fruitless efforts, has General Jaruzelski finally found the magic formula--the philosopher's stone of normalization--that will enable the party hierarchy--finally--to govern peacefully? So far at least, the first secretary has no reason to be other than satisfied with the decision--for once definite and precise--that was made early in September to free the political prisoners.

It is true that Solidarity's leaders responded to that bold move with an even bolder move: they set up a "provisional council" for the union to function openly--that is, in serene violation of the "law." But nothing, or almost nothing, has happened since. There were warnings--costing nothing for the moment--to the council's members, all of whom are former political prisoners and former underground leaders known for their determination. There were a few demonstrations--on the anniversary of independence last 11 November. And a few sentences were handed down as well, but they involved only fines, under the terms of new articles adopted in the meantime that allow the authorities to decriminalize--if they wish--certain political offenses. Nothing to make a fuss about, and scarcely enough to deserve a mention in the Western press.

The result was that in mid-November, Warsaw television was able to instance a considerable achievement: for the first time in years, government spokesman Urban was not questioned about opposition activities during his weekly press conference.

But "Solidarity is not asleep," to quote the mischievous message embroidered on a pillow given to Zbigniew Bujak after he left prison. It is not asleep,

that is true, but neither is it dreaming any longer. While some people may have thought briefly that release of the political prisoners meant that everything was again becoming possible, they quickly lost their illusions. That release was hailed as a victory, of course, but it also made a fine mess of things. For instance, Solidarity's new "provisional council" was indeed formally established by Lech Walesa, but it is no longer a secret that the union chairman did not in fact want it to be established. True, this is not the first time that the electrician from the Gdansk shipyard has applied the well-known principle of "I am your leader, therefore I follow you." But we are forced to note that for the moment, that new council seems unable to take action, whereas another leadership organization that people had expected to see disappear--the (illegal) Solidarity Coordination Committee (TKK)--is again showing itself. After a meeting attended by Walesa, the TKK published a resolution in which it scarcely mentioned the new "council" or the attempts at activity "in the open."

To add to the confusion, "regional councils" modeled after the national provisional council have been established spontaneously, and they are also proclaiming their intention to act openly. With the notable exception of Warsaw, that step has been taken only in the "little" regions--basically those where Solidarity's networks were weak and where, for that reason, any underground organization was very difficult in any case; the members, frustrated by inaction, jumped at the opportunity. But at the same time, it was quickly realized that such underground activity would continue to be essential, probably for a long time to come. No one seriously imagines that it is possible to announce publicly the location of the printing presses where the "illegal" newspapers--the lungs of the democratic movement--are produced.

Those hesitations and contradictions were probably inevitable, if only for material reasons. And it seems that organization problems are on the way to being more or less solved, since the union now has three entities for leadership: Walesa, the underground committee, and the provisional council.

But there may be something more disturbing for the opposition: Solidarity may be crumbling from below. One union official explains: "There is no shortage of active militants, and in the enterprises, people still turn to them spontaneously when disputes arise. But not to the extent of following them if it becomes necessary to take action." In a word, there are officers, but hardly any troops. At the Ursus tractor plant, the amount collected in dues--illegal dues, of course--has dropped by two-thirds since last year, and the number of workers making contributions is well below 10 percent of the total work force.

The union's leaders, who were living in concealment until recently, were increasingly aware of the dangers of living on the fringe: the number of apartments available to them, for example, had shrunk considerably. There was weariness and the feeling that the game was not worth the candle, considering the sizable risks and the doubtful prospects. In a country like Poland, one can do a lot and risk a lot out of a sense of duty. But for how long? People who have devoted years of their lives to Solidarity sometimes drop out, either to go abroad or to give more time to their families, fix up their homes, or

earn a little money--without which it is becoming more and more difficult just to survive.

#### Desertion by the Church

The "illegal" press, which is the opposition's major strength, remains very active, with the many small newspapers doing a good job of providing news and expressing very diverse opinions. But book publishing, which is another traditional reason for satisfaction, is suffering from the higher price of paper and of everything else that must be bought on the black market in order to publish books. The price of those books, regardless of their interest, is sometimes disheartening.

Nor must we ignore the effectiveness of the "new" methods of repression now being tested by the government. The--very heavy--fines can be dissuasive (more than one defendant chooses to spend 3 months in jail rather than pay). Those penalties are even more of a deterrent in that they may be accompanied by confiscation of the "object" of the offense--the automobile used to transport tracts, for example, and in Poland, an automobile represents years of wages. There is also a new threat whose appearance is being viewed with concern: the confiscation of apartments or houses where illegal printing presses are used.

And there is also something else, something which people are a little reluctant to talk about but which is also worrying the movement's leaders. The church, or at least its hierarchy, may be "deserting" Solidarity out of a conviction that it is now useless to hope for, and thus demand, a restoration of the union's rights and that it is time to go on to something else. A recent article by the episcopate's spokesman, Father Orszulik, drew attention. It is true that the article stated in very energetic terms that the right of free association was imprescriptible--a stand that got it banned by the censors, incidentally--but is it not true that Catholic associations of workers, farmers, and students within the framework of the dioceses, for which the article expresses a fervent hope, would constitute the embryo of a type of denominational union movement far removed from what Solidarity wanted to be? So far, the church has refused to commit itself to that path, which many consider dangerous, and for that matter, it is not stated that it will do so. But the question may arise in the future.

So there is no lack of reasons for worry on the part of those who refuse to bury Solidarity. But it would be wrong to paint the picture too black. The somewhat disenchanted pessimism that can be sensed, particularly among the movement's "intellectuals," is in no way synonymous with giving up. And it is not shared by everyone. On the contrary, one cannot help being struck by the odd confidence and almost joyful determination displayed by certain labor leaders.

In Silesia, in a region where the police displayed fearful efficiency and the union seemed to be in shreds, Tadeusz Jedynek now feels that the situation is much better than it was in the recent past and that the militants are regaining strength. The fact that the only job he himself could get after

leaving prison pays a starvation wage (scarcely more than \$1 a day) does not depress him beyond measure. He is happy just to have found a job.

Most of his friends have not been that lucky, and Zbigniew Bujak never seriously expected that the big Ursus plants would agree to rehire him. But he, too, feels that there is much to be done. Even though he pictures the worst--that Solidarity will wither on the vine--he is convinced that this fight will not have been in vain in any case and that it is preparing the way for the future. He has a strange conviction which is no doubt the mark of the Solidarity generation: the certainty that the system imposed on their country is not eternal, that someday it will all have to change, and that preparations must be made for that day.

Hope keeps them going. Meanwhile, the team of Gen Jaruzelski and, behind him, the party apparatus, should be entitled to rejoice. Oddly, they are not really doing so. It is as though they feel that their current advantage is fragile. Far from being on the road to recovery, the Polish economy appears to be being kept alive artificially. The country is living on what it already has and is hardly investing at all, its industrial apparatus is growing dangerously obsolete, the problem of its debt cannot be put off forever, and the famous "reform"--that mythical monster of recent years--is biting its own tail: while proclaiming without a blush the need to launch into the second phase of a reform based theoretically on greater autonomy for the firms, the government has just announced a series of legislative measures moving in exactly the opposite direction. They whittle away at the authority of the managers of the firms and reduce the role of self-management organizations to almost nothing, all to the advantage of the "central organizations."

The shock was so great that it provoked sharp protests, even in the parliamentary committees (whose role is not exactly a formality), and very critical articles in the official press. In response to the general outcry, Premier Messner withdrew some of his proposals after making his excuses to the committee responsible for the famous "reform." That is where things stand today.

#### Plan off to a Bad Start

Putting the economy back on its feet, or at least halting its disturbing decay, would quite obviously require a call for new sacrifices, new price increases, and a real curb on wages. But to achieve that while avoiding excessive risks, it would be necessary to obtain a minimum of consent and, if possible, get the opposition itself to admit that stiff medicine is needed. That purpose, among others, could have been served by the "advisory council" which Gen Jaruzelski has been trying for several months to establish for the Council of Ministers--over which he presides. That advisory council would include representatives of various "trends of opinion"--not Walesa and his advisers, obviously, but men who, while the government finds them tolerable, could not be suspected of being its tools. It is, a priori, an attractive proposition, even for the opposition, which might have found in that council the framework for the "dialogue" for which it has been calling in vain for 5 years. But it is also a plan that seems to have gotten off to a bad start,

either because the dice were loaded from the start or because the tactless way in which it was implemented killed all interest in it.

In the course of exploratory talks with certain independent Catholic intellectuals who wanted to ascertain the ground on which they were being invited to advance, the government's representatives responded that they would have to join the council "without setting any conditions." Moreover, the list of personalities being "sounded out" as possible participants on the council included the names of three former Solidarity officials who had more or less repented or changed sides. That was enough to arouse the distrust of the Club of Catholic Intellectuals (KIK) in Warsaw, which has just decided by a very strong majority that it will refuse to participate in the "advisory council" for the time being and that if some of its officials want to join anyway, they must resign from their posts. (The problem arises in particular for the KIK's current chairman, Mr Swiecicki, who cannot make up his mind.) That massive vote by the only truly independent authorized organization constitutes a real setback for the authorities and, incidentally, a signal to the primate, Monsignor Glemp, who, although he has never said so publicly, was in fact hoping that the KIK would try the experiment.

In this somewhat depressing autumn, no one really has any cause for satisfaction. The country is moving in circles. The waltzers are still more or less the same: some are advancing, others are stepping back, and the West can hardly hear the sound of the orchestra anymore.

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CSO: 2900/4

## COMMENTARY DISPUTES OFFICIAL 'NORMALIZATION' CLAIMS

Paris LE MONDE in French 14-15 Dec 86 p 1

[Commentary: "Poland in Ash Gray"]

[Text] Five years later, the man who decreed a very strange "state of war" against the majority of his fellow citizens is still in power in Poland, and from his point of view, he has won the game. To celebrate this "anniversary," Solidarity has not called for any demonstration, while for the first time, General Jaruzelski has allowed himself the luxury--and displayed the cleverness--of no longer holding any political prisoners.

This 13 December is therefore almost an ordinary day, so much so that one might forget the extraordinary nature of the operation launched in the middle of the night 5 years ago with large police and military reinforcements. There were arrests by the thousands, communications were cut off, travel was banned, tanks paraded through the streets before forcing open the gates of factories, and television "reporters" were suddenly disguised as soldiers. And Gen Jaruzelski was more military than ever--to the extent of "forgetting" his title as head of a party that was waiting in the wings for the matter to be settled before reemerging in all its power.

That incredible show was intended to cause fear, but the farce soon turned tragic as the "forces of order" attacked and killed miners defending their mines and their dreams. The result was the image of a strikebreaker and destroyer of dreams for the general who was claiming to save his country, or at least his regime, being convinced that if he did not act, others tougher than he would do the job.

Should we believe him? Five years do not allow history enough time in which to judge. What is certain is that the Polish landscape was indeed unsettled in 1980 and 1981, but it was also full of hope and color. After 13 December, it shifted all at once to black and white: to confrontation between two adversaries, only one of which had weapons and was ready to use them. Today the dominant color is again gray.

But for all that, the country is not "normalized" or even "normal," and Poland remains what it has always been throughout its history: a case apart. Nowhere



else in the communist world does an opposition, weak though it may be, exist on such a scale. Nowhere else does the church carry so much weight. And nowhere else is the regime so untotalitarian--simply because it cannot be otherwise.

But probably nowhere else have so many opportunities been wasted. After having the feeling that they were writing their own history--with all the attendant risks--the Poles are now being asked, to the great relief of many--and not only in the Soviet camp--to "stay in their place," which is that of a subject nation, and to cope as best they can with an economic situation that places them last among European nations.

Gen Jaruzelski claimed to be the man bringing renewal. He is not entirely the man bringing restoration, but the man bringing resignation.

The Poles have the taste of ashes in their mouths. But many of them, including many in the government's ranks, also have in their minds the certainty that the situation cannot last forever and that the volcano will flare up again. Its lava flows have carried away, one by one, all the teams that have come to power in Poland since the war.

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## 'FORUM OF YOUNG COMMUNISTS' ORGANIZED AT KIELCE INSTITUTION

Warsaw RADAR in Polish No 23, 5 Jun 86 p 16

[Communique on the Origin, Ideological Foundations and Goals of the Forum of Young Communists]

[Text] On 24 April 1986 the founding meeting of the Forum of Young Communists took place at the Higher School of Education in Kielce. Participating in it were students of the Kielce Higher School of Education, of whom the majority were party members and candidates, but also including non-party communists, all of whom are members of school organizations--the Union of Socialist Polish Youth and the Polish University Student Association.

The result of the discussions was the creation of a platform for discussion--before the 10th Congress of the PZPR--by the Forum of Young Communists. Young because we are, communists because that is how we see ourselves. Under the assumption that the party program will be executed mainly by young people, we believe that with today's major changes, there cannot be a shortage of us. We hope that young communists throughout Poland will follow in our footsteps.

We often differ from many older people in our attitudes and convictions. We are characterized by our critical attitudes toward reality; we comprehend it differently. We treat socialism as a system subject to constant changes and modifications, not as a collection of ideological dogmas.

We are against all deviation from the platform outlined at the 9th Congress of the PZPR. Yet we do not treat this platform as delineated once and for all. It should be enriched and adapted to circumstances in a changing reality.

We note disturbing instances of a partial return to old forms and methods, schematism in administration, restraint of economic reform, adherence to ill-conceived egalitarianism, campaigning in resolving many sore spots and problems. The main requirement for eliminating these instances is to increase the party's efficiency through the growth of every member's activity. In order to do this, it is necessary to oppose consistently the symptoms of figure-head conduct, careerism, conduct contrary to platform principles that discredits the name of party member. We communists, young and old, must be aware that fundamental economic, social and governmental reforms are the last chance for us. Another severe crisis could mean a national catastrophe.

We are in favor of well-conceived democracy in the formation and control of authority. We hope that the "easterly wind" that blew strongly after the 27th Congress of the Communist Party of the Soviet Union will be an incentive for us for further changes in many areas of our life. It is also necessary to reach into the programs of other communist parties, including those outside the socialist bloc.

It is impossible here to present all the doubts and hopes that inspired us to form the Forum of Young Communists. The main recipient of our statement will be the PZPR, especially before the 10th Congress. We want to meet and discuss among ourselves, with participation by representatives of other groups. The result of profound reflection and discussion will be a position on specific issues. We want our voices to reach the broadest possible body of people, especially those who have the most influence on running the country. We want to influence the shape of our reality matter of factly. Let this be our motto: "The nation wants changes; the party will protect them."

Founders' Group, Forum of Young Communists

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## WRITERS UNION HEAD REFLECTS ON PROSPERITY, PROGRESS

PMO41425 Moscow PRAVDA in Russian 31 Dec 86 First Edition p 5

[Article by Wojciech Zukrowski, chairman of the Polish Writers Union and deputy in the Polish Sejm: "Serving the People. Thoughts of a Writer"]

[Text] History has decreed that the Poles are virtually a nomadic people. Many of us roam the world.

Our tourists and those who go on official visits to the West are struck by what one may call the showcase of consumer society. This showcase is the standard of living which is at present higher than ours. But I believe we must look beyond this bright showcase and ponder soberly over the question: How have they achieved this? At what cost? Have not people become slaves to the goods they have accumulated?

It is not hard to become convinced that many of the moral values to which we are accustomed often play no part in the West. Everyone in the West lives for himself in his own home, as if in a bunker. He certainly does not rush to his neighbor's aid, even when he hears the wail of a police siren announcing the fact that someone's property has been violated.

I am not against improved well-being for the working people. Rather it is a matter of ensuring that acquisition does not become a fetish, does not become the aim of life itself. Otherwise, the features most common to all mankind will inevitably be lost -- unselfish benevolence, readiness to go to someone else's aid, and loyalty to one's own country.

I have observed that some young people find it easy to break their kinship ties and go as far as renouncing their nationality and voluntarily cutting themselves off from their native culture. Their credo is simple: The country that gives me a good life, they say, is my home...

In actual fact, however they try to adapt and fit into their new surroundings, they will always be aliens. This realization usually takes years to dawn, when it is already too late to change anything.

Two generations have grown up in our country during the 40 years of peace, and they have no recollection of the price we had to pay to free the world of the nightmare of fascism. We former soldiers began our peacetime life on the site of the conflagration.

Forty years of peace. At the cost of tens of millions of people who perished. We are grateful to them for giving their lives for the freedom and happiness of future generations.

I was still wearing out my military uniform, but my wife sewed on some civilian buttons. In my officer's bag I carried my lecture notes -- I was finishing university in Wroclaw. Then my first two books were published. A small volume of stories called "The Silent Land," which was about the occupation, and a children's book entitled "Kidnapping in Tiutiurlistan," both excellently translated into Russian several years later. I met people at writers' evenings. Whole families came. They listened attentively, applauded politely, and bought the books I brought with me in a small suitcase. They bought them because they thought that would help me. Or perhaps they wanted proof that they had met a writer? After all, they did not read the books, they felt no need to do so. Radio was a rarity and no one had yet dreamed up television at that time.

We are probably also to blame for the fact that young people today are so susceptible to the pleasures of life and frivolity. We wanted them to have a happy life and so we pampered them like fledgelings. Some young people have developed a feeling of egocentrism as a result. One such "little darling" asked his father point-blank: "What kind of father are you if you do not get me out of army service, do not help me to finish university, and do not make sure I have a career?" The outcome of this kind of world outlook is well known....

I am a writer. I think and see in images. I can remember a great deal and I believe I can foresee the consequences of our actions. That is why I do not simply urge people on, I also caution them. In this respect, however, I am far from gratified if I predict difficulties and we do not manage to prevent them.

The West is now playing on feelings of fear, concealing the seeds of arrogance and hatred for the world of socialism in its chaff of information. U.S. hegemony over the world -- this is the American view of the world, seen through the prism of the "star wars" strategy....

Let us return, however, to mother earth.... Do you remember your first steps across it? Do you remember how you seized handfuls of its "green hair" -- the grass -- and it gave you a pleasant, tickling sensation? Do you remember the pure streams? And the spring in the forest, pulsating with cold, the spring we kissed with our lips in our thirst? Is all this really doomed to disappear in a nuclear conflagration?

It is not true, the world does not follow one road only -- the road of death. Mankind has a choice. There is also the road of hope, the road travelled by the soviet Union and we ourselves. And this is no compliment, no declaration of loyalty.

We are united by socialism and powerful economic ties. Our strength lies in unity.

Foresight and plans for the future are also important now. Before, we used to say: We need steel and electrification, coal and oil. Today this is no longer enough. A great deal is now resolved by scientific and technical progress, the pulse of innovative ideas, and the vast knowledge not yet used to the full. Working in this direction, the CEMA countries are raising their cooperation to a qualitatively new level and promoting the successful development of each country individually and the community as a whole, as well as strengthening the positions of socialism in the world arena.

Scientific and technical progress is the key to the future. We have the means, only people are still used to hiding their wings. But the time has now come! Do not look back, cast your mind's eye ahead to the far reaches of science and technology! Socialism has given us a great deal. And we must give it no less in return.

Whether you like it or not -- socialism is a step forward in civilization's development.

I often tell people the truth to their face. Some of them become angry, write me letters, and then they get talking to me on the street and admit I was right. Thinking back over the last 40 years, I have reached the conclusion that a real statesman, like a real writer, must understand that it is essential to give more than you receive and that every power -- power over human hearts in particular -- must also serve those who raised you up, who trust you, and in cooperation with whom you will be stronger.

These are the thoughts I wanted to share with readers on the eve of the new year -- 1987 -- a year to which we all look with hope.

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## CROATIAN VETERANS PROTEST AWARDS TO WRITER ARALICA

[Editorial Report] At a late November 1986 meeting of the Croatian SUBNOR (Federation of Veterans Associations) reported in Belgrade BORBA in Serbo-Croatian 3 Dec 86 p 8, Ante Kesic, member of the Zagreb Jadran-film council, criticized the recently acclaimed film based on Ivan Aralica's prose work "Zivot sa stricem" (Life With Uncle) as follows: "In this libelous film...the course of our revolution and the League of Communists is attacked in the most blatant way...and the party is presented as the source of all evil compared to which... Aleksandar Rankovic was someone who...actually soothed the pain. The action takes place in a boys' dormitory in a small town just after the war. Here the school authorities are seeking enemies of the new order among the students, and find the enemy in a student who is in charge of the school newspaper. They report him to UDBA but the chief of the [local UDBA] service said they should stop this 'bad business' [of denunciation] and he cites Rankovic who was alleged to have said that the prisons and jails are overfilled with suspects and it is high time to stop the witchhunt against innocent people.

"This solution does not satisfy the [people in this] ideologically-obsessed area. Of course, since UDBA did not want to take the matter into its hands, the local area itself organizes a party trial and, using the methods of the medieval Inquisition, tortures the youth and finally organizes a lynching."

Not only did all other members of the Jadran-film Council (except Kesic) vote in favor the film, BORBA noted, but Aralica, a known activist in the Croatian nationalist movement in 1970-71, had last year been given a literary award from VJESNIK, had been elected to the Academy of Arts and Sciences, and was recently unanimously nominated to receive the "Miroslav Krleza" Fund award for prose work published in 1982-85.

According to an article in Zagreb DANAS in Serbo-Croatian 9 Dec 86 p 40, last year when Aralica was given the VJESNIK award vehement protests were heard from the Presidium of the Dalmatian SUBNOR, especially the branch in Zadar where Aralica had been deputy president of the opstina LC conference in 1970-71 and active "as ideological leader of the mass movement in Zadar Opstina." Afterward, Aralica was removed from the LCY but retained a position in a secondary school where he had been director.

In reaction to the protests over the award last summer, Aralica wrote in VJESNIK, "I must say that I neither seek nor expect any kind of political

rehabilitation. I ask for peace to finish my work. I abhor the thought that I would hate anyone and I feel sorry for others who hate; hatred seems to me unfortunate even when it does not touch me."

While this does not explain all aspects of the current polemic, DANAS said, it is clearer why today some veterans organizations are against Aralica's work, even while admitting that they have not read or seen it. In reflecting more tolerant views from the media in Slovenia and Serbia, the DANAS article suggests greater attention be given to literary value and less to a writer's past.

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